



# Board of Supervisors Health and Mental Health Cluster Agenda Review Meeting

**DATE:** April 16, 2025

**TIME:** 9:30 a.m. – 11:30 a.m.

**MEETING CHAIR:** Tyler Cash, 5<sup>th</sup> Supervisorial District

**CEO MEETING FACILITATOR:** Jack Arutyunyan

**THIS MEETING IS HELD UNDER THE GUIDELINES OF BOARD POLICY 3.055**

To participate in the meeting in-person, the meeting location is:

Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012  
Room 140

To participate in the meeting virtually, please call teleconference number:

1 (323) 776-6996 and enter the following: 880 681 649# or [Click here to join the meeting](#)

For Spanish Interpretation, the Public should send emails within 48 hours in advance of the meeting to [ClusterAccommodationRequest@bos.lacounty.gov](mailto:ClusterAccommodationRequest@bos.lacounty.gov)

Members of the Public may address the Health and Mental Health Services Meeting on any agenda item. Two (2) minutes are allowed for each item.

THIS TELECONFERENCE WILL BE MUTED FOR ALL CALLERS. PLEASE DIAL \*6 TO UNMUTE YOUR PHONE WHEN IT IS YOUR TIME TO SPEAK.

- I. Call to order
- II. **Information Item(s) (Any Information Item is subject to discussion and/or presentation at the request of two or more Board offices):**
  - a. **DPH:** Recommendation to Continue the Declared Local Health Emergency for the January 2025 Critical Fire Events (#08092)
  - b. **DPH:** Approval to Execute Amendments to Three Sole Source Black Infant Health Services Contracts to Extend the Term Through June 30, 2026 (#08059)

- c. **DMH:** Approval to Amend the Existing Facilities Management Services Contract with CBRE Managed Services, Inc., to Increase the Total Contract Sum for the Continuous Provision of Facilities Management Services at Martin Luther King-Behavioral Health Center on a Sole Source Basis
- d. **DMH:** Approval to Amend the Existing Facilities Management Services Contract with CBRE Managed Services, Inc., to Increase the Total Contract Sum for the Continuous Provision of Facilities Management Services at Martin Luther King-Jacqueline Avant Children and Family Center on a Sole Source Basis

III. **Board Motion(s):**

- a. **SD5:** Streamlining Los Angeles County Mental Health and Substance Use Disorder Bed Reporting

IV. **Presentation Item(s):**

- a. **DHS:** Approval of a successor Medical School Affiliation Agreement with the University of Southern California

V. Items Continued from a Previous Meeting of the Board of Supervisors or from the Previous Agenda Review Meeting

VI. Items not on the posted agenda for matters requiring immediate action because of an emergency situation, or where the need to take immediate action came to the attention of the Department subsequent to the posting of the agenda.

VII. Public Comment

VIII. Adjournment

IF YOU WOULD LIKE TO EMAIL A COMMENT ON AN ITEM ON THE HEALTH AND MENTAL HEALTH SERVICES CLUSTER AGENDA, PLEASE USE THE FOLLOWING EMAIL AND INCLUDE THE AGENDA NUMBER YOU ARE COMMENTING ON:

**HEALTH\_AND\_MENTAL\_HEALTH\_SERVICES@CEO.LACOUNTY.GOV**

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter☐ Board Memo☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	4/16/2025	
<b>BOARD MEETING DATE</b>	5/6/2025	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Department of Public Health	
<b>SUBJECT</b>	RECOMMENDATION TO CONTINUE THE DECLARED LOCAL HEALTH EMERGENCY FOR THE JANUARY 2025 CRITICAL FIRE EVENTS	
<b>PROGRAM</b>	Executive Office Services	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:	
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – Not Applicable  <b>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.</b>	
<b>DEADLINES/ TIME CONSTRAINTS</b>		
<b>COST &amp; FUNDING</b>	Total cost: \$	Funding source:
	TERMS (if applicable):	
	Explanation: There is no fiscal impact related to the continuance of this local health emergency, but the proclamation of local health emergency could allow the County to seek recovery of eligible costs from the Federal Emergency Management Agency and State of California. The County will incur costs associated with the response to and recovery from the local health emergency.	
<b>PURPOSE OF REQUEST</b>	<p>The local health emergency declared by the local health officer on January 10, 2025, was ratified by the Board on January 14, 2025, and initially extended on February 11, 2025, and continued thereafter, must be reviewed by the Board to determine the need for the local health emergency to remain in effect at least once every 30 days, until it is terminated; and (2) proclaim the local health emergency terminated at the earliest possible date that conditions warrant the termination.</p> <p>Public Health and the Los Angeles County Health Officer have reviewed the need for the proclaimed local health emergency referenced above to remain in effect and recommend that the local health emergency be continued.</p>	
<b>BACKGROUND</b>	The January 2025 Windstorm and Critical Fire Events are an ongoing local health emergency in Los Angeles County, which has required an ongoing response to several	

<p><b>(include internal/external issues that may exist including any related motions)</b></p>	<p>destructive and wind-driven fires, especially the Palisades and Eaton Fires. These fires have burned thousands of residences and structures and resulted in massive amounts of post-fire health hazards in the form of burned hazardous materials and hazardous ash, soot and fire debris remaining in the burn and surrounding areas. The recovery response to these catastrophic fire events requires the ongoing need for federal, State and local emergency response and recovery operations to implement and complete a large scale urban wildfire debris removal and disposal and evaluate related human health risks.</p> <p><u>Board Motion</u>  On January 14, 2025, via motion, the Board ratified the County Health Officer's Declaration of Local Health Emergency made on January 10, 2025, for the January 2025 Windstorm and Critical Fire Events, in the County of Los Angeles. The Proclamation of Local Health Emergency shall remain in effect until its termination is proclaimed by the Board.</p>
<p><b>EQUITY INDEX OR LENS WAS UTILIZED</b></p>	<p><input type="checkbox"/> Yes    <input checked="" type="checkbox"/> No  If Yes, please explain how:</p>
<p><b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b></p>	<p><input type="checkbox"/> Yes    <input checked="" type="checkbox"/> No  If Yes, please state which one(s) and explain how:</p>
<p><b>DEPARTMENTAL CONTACTS</b></p>	<p>Name, Title, Phone # &amp; Email:</p> <ul style="list-style-type: none"> <li>• Joshua Bobrowsky  Director of Government Affairs, Public Health  <a href="mailto:jbobrowsky@ph.lacounty.gov">jbobrowsky@ph.lacounty.gov</a></li> <li>• Blaine D. McPhillips  Senior Deputy County Counsel  Health Services Division  <a href="mailto:bmcphillips@counsel.lacounty.gov">bmcphillips@counsel.lacounty.gov</a></li> </ul>





**BARBARA FERRER, Ph.D., M.P.H., M.Ed.**  
Director

**MUNTU DAVIS, M.D., M.P.H.**  
County Health Officer

**ANISH P. MAHAJAN, M.D., M.S., M.P.H.**  
Chief Deputy Director

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**DRAFT**



**BOARD OF SUPERVISORS**

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Second District

**Lindsey P. Horvath**  
Third District

**Janice Hahn**  
Fourth District

**Kathryn Barger**  
Fifth District

May 6, 2025

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

Dear Supervisors:

**RECOMMENDATION TO CONTINUE THE DECLARED LOCAL HEALTH  
EMERGENCY FOR THE JANUARY 2025 CRITICAL FIRE EVENTS  
(ALL AFFECTED) (3 VOTES)**

**SUBJECT**

The Department of Public Health (Public Health) is recommending that the Board of Supervisors (Board) continue the local health emergency declared on January 10, 2025, in response to the January 2025 Windstorm and Critical Fire Events impacting Los Angeles County (County).

**IT IS RECOMMENDED THAT THE BOARD:**

Adopt and instruct the Chair of the Board to execute the attached Resolution to Continue the Local Health Emergency due to the January 2025 Windstorm and Critical Fire Events.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The local health emergency declared by the local health officer on January 10, 2025, was ratified by the Board on January 14, 2025, and initially continued by the Board on February 11, 2025, must be reviewed by the Board to determine the need for the local health emergency to remain in effect at least once every 30 days, until it is terminated; and (2) proclaim the local health emergency terminated at the earliest possible date that conditions warrant the termination.

Public Health and the County Health Officer have reviewed the need for the proclaimed local health emergency referenced above to remain in effect and is recommending that the local health emergency be continued. This review included considerations of the extent to which the specified conditions for the proclaimed local health emergency, such as the continued existence of hazardous materials, hazardous waste in the form of fire ash, soot, and debris remaining inside and near the burn areas; the ongoing need for federal, State and local emergency response and recovery operations to implement and complete a large scale urban wildfire debris removal and disposal response; the ongoing need for federal and/or State financial assistance; and the extent to which departments continue to engage in essential emergency-related activities that are dependent on the local health emergency remaining in effect.

The January 2025 Critical Fire Events are an ongoing local health emergency in the County, which has required an ongoing response to several destructive and wind-driven fires, especially the Palisades and Eaton Fires. These fires have resulted in massive amounts of post-fire health hazards in the form of burned hazardous materials and hazardous ash, soot and fire debris remaining in the burn and surrounding areas. These catastrophic fire events have caused the loss of life, displacement of thousands of residents, widespread damage and destruction to residential structures, businesses, and infrastructure. These conditions are beyond the control of the resources of the County and require the combined forces of federal, State and other political subdivisions to combat. To mitigate the risks to health created by the fires, post-fire health hazards must be removed from properties in accordance with federal and State standards for safe removal of hazardous materials and waste.

Given the current risks posed by post-fire health hazards, Public Health recommends that the Board find that the local health emergency be continued.

### **Implementation of Strategic Plan Goals**

These recommendations support the County Strategic Plan: North Star 2 – Foster Vibrant and Resilient Communities, Focus Area A – Public Health, Strategy i - Population Based Health.

### **FISCAL IMPACT/FINANCING**

There is no fiscal impact related to the continuance of this local health emergency, but the proclamation of local health emergency could allow the County to seek recovery of eligible costs from the Federal Emergency Management Agency and State of California. The County will incur costs associated with the response to and recovery from the local health emergency.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

California Health and Safety Code Section 101080 and Chapter 2.68 of the Los Angeles County Code requires the Board to review the need for a proclaimed local health emergency to remain in effect at least once every 30 days, until it is terminated. California Health and Safety Code Section 101080 requires the Board to terminate a proclaimed local health emergency at the earliest possible date that conditions warrant.

**ENVIRONMENTAL DOCUMENTATION**

This action is not subject to the California Environmental Quality Act (CEQA) because it is excluded from the definition of project under section 15378(b)(5) of the State CEQA Guidelines.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There is no impact on current services.

**CONCLUSION**

Upon approval by the Board, the Public Health requests that an executed, stamped copy of the attached Resolution be returned to Public Health.

Respectfully submitted,

Barbara Ferrer, Ph.D., M.P.H., M.Ed.  
Director

BF:db  
#08092

Enclosure

c: Chief Executive Officer  
County Counsel  
Executive Office, Board of Supervisors  
Public Works  
CEO Office of Emergency Management

**RESOLUTION BY THE COUNTY OF LOS ANGELES BOARD OF SUPERVISORS TO  
CONTINUE THE LOCAL HEALTH EMERGENCY FOR THE JANUARY 2025  
CRITICAL FIRE EVENTS**

**WHEREAS**, pursuant to Section 101080 of the California Health and Safety Code, the existence of a local health emergency was declared by the County Health Officer on January 10, 2025, and ratified by the Board of Supervisors (Board) on January 14, 2025, due to conditions of disaster or of extreme peril to the safety of persons and property arising from the January 2025 Windstorm and Critical Fire Events, beginning on January 7, 2025, affecting areas throughout the County of Los Angeles (County); and

**WHEREAS**, the January 2025 Critical Fire Events, beginning on January 7, 2025, are an ongoing local health emergency in the County, whose conditions have included an ongoing response to a number of destructive and wind-driven fires, which include, among others, the Palisades Fire, Eaton Fire, Hurst Fire, Creek Fire, Lidia Fire, and the Kenneth Fire, and post-fire hazards in the form of burned common household hazardous materials and contaminated ash, soot and fire debris remaining in the burn zones and surrounding areas. These conditions are or will likely be beyond the control of the resources of the County and require the combined forces of other political subdivisions and the ongoing need for federal and/or State financial assistance. To the extent which departments continue to engage in essential emergency-related activities that are dependent on the local health emergency remaining in effect; and

**WHEREAS**, there continues to be conditions of disaster or of extreme peril to the safety of persons and property arising from the January 2025 Critical Fire Events in the County, and to mitigate the risks to health created by the fires and post-fire health hazards, which include the presence of extensive amounts of common household items burned in the wildfires that created contaminated ash and fire debris, must be removed, transported, and disposed of from properties in accordance with federal and State standards, which is an on-going effort; and

**WHEREAS**, Health and Safety Code Section 101080 and Chapter 2.68 of the Los Angeles County Code requires the Board to review the need for a declared local health emergency to remain in effect at least once every 30 days, until it is terminated by the Board at the earliest possible date that conditions warrant; and

**WHEREAS**, the Board has reviewed the need to continue the local emergency for the January 2025 Critical Fire Events, which was already ratified on January 14, 2025, and continued thereafter; and

**WHEREAS**, the Board determines that there continues to exist conditions of disaster or of extreme peril to the health and safety of people arising from the local health emergency for the January 2025 Critical Fire Events such that continuation of this local health emergency is warranted.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED** by the Board of Supervisors of the County of Los Angeles that the local health emergency due to the January 2025 Critical Fire

Events in the County continues to exist and is hereby extended for thirty (30) additional days, unless sooner terminated by the Board.

The foregoing resolution was on the *6th* day of *May 2025*, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

**EDWARD YEN**  
**Executive Officer**  
**Board of Supervisors**

By \_\_\_\_\_  
**Deputy**

**APPROVED AS TO FORM:**

**DAWYN R. HARRISON**  
**County Counsel**

By  \_\_\_\_\_  
**BLAINE D. McPHILLIPS**  
**Senior Deputy County Counsel**  
**Health Services Division**

# BOARD LETTER/MEMO CLUSTER FACT SHEET

DRAFT

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	4/16/2025	
<b>BOARD MEETING DATE</b>	5/6/2025	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input type="checkbox"/> All <input checked="" type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input checked="" type="checkbox"/> 4 <sup>th</sup> <input checked="" type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Public Health	
<b>SUBJECT</b>	Approval to execute amendments to three sole source Black Infant Health services contracts to extend the term effective July 1, 2025, through June 30, 2026, and delegate authority to extend the term up to one year, as needed, through June 30, 2027 as well as provide an increase or decrease in funding up to 10% above or below the annual base maximum obligation, and update the statement of work, and/or scope of work, as necessary.	
<b>PROGRAM</b>	Maternal, Child, and Adolescent Health Division (MCAH)	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why: Current sole source Black Infant Health (BIH) contracts are scheduled to end on June 30, 2025. Extension of these contracts with additional funding to be effective July 1, 2025, will allow agencies to continue the provision of BIH services as Public Health conducts a solicitation for expanded BIH services that align with revised California Department of Public Health (CDPH) BIH program mandates.	
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable  <b>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.</b>	
<b>DEADLINES/ TIME CONSTRAINTS</b>	Current BIH contracts are scheduled to end on June 30, 2025.	
<b>COST &amp; FUNDING</b>	Total cost: Estimated \$3,050,000	Funding source: State General Funds (SGF), Federal Title V – Assistance Listing Number (ALN) 93.994, and Title XIX – Medical Assistance Program, ALN #93.778, awarded by CDPH
	TERMS (if applicable): 7/01/25 through 6/30/26	
	Explanation: Funding amounts for beyond 6/30/26 are subject to CDPH funding availability.	
<b>PURPOSE OF REQUEST</b>	Authorize Public Health to execute amendments to three sole source BIH services contracts to extend the term through June 30, 2026; and	

	Public Health is also requesting delegated authority to execute to execute amendments that: a) extend the term up to one additional year through June 30, 2027, at amounts to be determined by the Director of Public Health based on funding availability; b) provide an increase or decrease in funding up to 10% above or below the annual base maximum obligation effective upon execution or beginning of applicable funding period; c) update the statement of work and/or scope of work, as necessary; and/or correct errors or omissions in the contract's terms and conditions, subject to review and approval by County Counsel, and notification to your Board and the Chief Executive Office (CEO).
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	Public Health's BIH program utilizes the California Department of Public Health (CDPH) BIH Program Model to provide services to African American mothers/birthing people who are 18 years of age and older, less than 30 weeks pregnant or up to six months postpartum. The program is a 20-session group intervention (10 sessions prenatally and 10 sessions postpartum) with complementary one-on-one support (case management) designed to be culturally relevant and to help women develop life skills, learn strategies for reducing stress, and build social support. The BIH program aims to improve health among African American mothers and babies and to reduce Black-White disparities by empowering pregnant and parenting African American women and connecting them to important social support programs. This program support mothers to make healthy choices for themselves, their families, and their communities.
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain how: BIH program aims to improve health among African American mothers and babies and to reduce Black-White disparities by empowering pregnant and parenting African American women and connecting them to important social support programs and toddlers.
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how: The recommended actions support Board Priority #2 Alliance for Health Integration (AHI) – In accordance with AHI's focus on reducing health inequities, the BIH program aims to improve health among African American mothers and babies, reduce Black-White health inequities by empowering pregnant and parenting African American women and connecting them to important social support programs, and provide program services to address the problem of poor birth outcomes and health disparities that affect African American women and their babies.
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email: Melissa Franklin, Director, MCAH, (213) 639-6400 <a href="mailto:MFranklin@ph.lacounty.gov">MFranklin@ph.lacounty.gov</a>  Craig Kirkwood Jr, Deputy County Counsel (213) 974-1751 <a href="mailto:ckirkwood@counsel.lacounty.gov">ckirkwood@counsel.lacounty.gov</a>  Joshua Bobrowsky, Public Health Director Government Affairs (213) 288-7871 <a href="mailto:jbobrowsky@ph.lacounty.gov">jbobrowsky@ph.lacounty.gov</a>



**BARBARA FERRER, Ph.D., M.P.H., M.Ed.**  
Director

**MUNTU DAVIS, M.D., M.P.H.**  
County Health Officer

**ANISH P. MAHAJAN, M.D., M.S., M.P.H.**  
Chief Deputy Director

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**BOARD OF SUPERVISORS**

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Second District

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Third District

**Janice Hahn**  
Fourth District

**Kathryn Barger**  
Fifth District

**DRAFT**

May 6, 2025

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 AMENDMENTS TO THREE SOLE SOURCE BLACK  
INFANT HEALTH SERVICES CONTRACTS TO EXTEND THE TERM THROUGH  
JUNE 30, 2026  
(SUPERVISORIAL DISTRICTS 2, 4 and 5) (3 VOTES)**

**SUBJECT**

Request approval to execute amendments to three sole source Black Infant Health services contracts to extend the term effective July 1, 2025, through June 30, 2026, and delegate authority to extend the term up to one year, as needed, through June 30, 2027, as well as provide an increase or decrease in funding up to 10% above or below the annual base maximum obligation, and update the statement of work, and/or scope of work, as necessary.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and instruct the Director of the Department of Public Health (Public Health), or designee, to execute contract amendments, substantially similar to Exhibit I, to three sole source contracts for the continued provision of Black Infant Health (BIH) services, effective July 1, 2025, through June 30, 2026, at a total maximum obligation of \$3,050,000 as follows: a) Contract Number PH-003175 with The Children's Collective, Inc. (TCC) for \$1,142,000, b) Contract Number PH-003173 with All For Kids Organization (AFK) formerly known as Children's Bureau of Southern California for \$904,000, and, c) Contract Number PH-002924 with City of Pasadena (COP) for \$1,004,000; all fully funded by State General Funds, Federal Title V, Assistance Listing Number (ALN) 93.994 and Federal Title XIX, ALN 93.778, awarded by the California Department of Public Health (CDPH).



2. Delegate authority to the Director of Public Health, or designee, to execute amendments that: a) extend the term up to one additional year through June 30, 2027, at amounts to be determined by the Director of Public Health based on funding availability; b) provide an increase or decrease in funding up to 10% above or below the annual base maximum obligation effective upon execution or beginning of applicable funding period; c) update the statement of work and/or scope of work, as necessary; and/or correct errors or omissions in the contract's terms and conditions, subject to review and approval by County Counsel, and notification to your Board and the Chief Executive Office (CEO).
3. Delegate authority to the Director of Public Health, or designee, to execute change notices to the contracts that authorize modifications to the budget with corresponding modifications to the statement of work and/or scope of work, that are within the same scope of services, as necessary, and changes to hours of operation and/or service locations.
4. Delegate authority to the Director of Public Health, or designee, to immediately suspend or terminate the contracts upon issuing a written notice if contractors fail to perform and/or fully comply with contract requirements; and to terminate contracts for convenience by providing a 30-calendar day advance written notice to contractors.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Public Health's BIH program utilizes the California Department of Public Health (CDPH) BIH Program Model to provide services to African American mothers/birthing people who are 18 years of age and older, less than 30 weeks pregnant or up to six months postpartum. The program is a 20-session group intervention (10 sessions prenatally and 10 sessions postpartum) with complementary one-on-one support (case management) designed to be culturally relevant and to help women develop life skills, learn strategies for reducing stress, and build social support. The BIH program aims to improve health among African American mothers and babies and to reduce Black-White disparities by empowering pregnant and parenting African American women and connecting them to important social support programs. This program supports mothers to make healthy choices for themselves, their families, and their communities.

Public Health currently has three contracts to provide BIH services in high priority areas, as follows: a) AFK for services in Los Angeles County (LAC) Service Planning Area (SPA) 1; b) TCC for services in SPA 6; and c) COP for services in SPA 3.

Approval of Recommendation 1 will allow Public Health to execute amendments to extend the term of three sole source BIH contracts to continue the provision of BIH program services to address the problem of poor birth outcomes and health disparities that affect African American mothers/birthing people and their babies.

Approval of Recommendation 2 will allow Public Health to execute amendments to the contracts to extend and increase or decrease funding up to 10% above or below the annual base maximum obligation; update the statement of work and/or scope of work; and/or correct errors or omissions in the contract's terms and conditions, as necessary to meet Public Health, County, and/or, CDPH requirements. Such amendments will only be executed if there is an unanticipated extension of the term of the applicable grant funding. This authority is being requested to enhance Public Health's efforts to expeditiously maximize grant revenue, consistent with Board Policy 4.070: Full Utilization of Grant Funds.

Extension of the three BIH contracts will allow these agencies to continue to provide needed services as Public Health works to release a solicitation for expanded BIH services that align with the revised CDPH mandates for the BIH program. Furthermore, CDPH's allocation for subsequent FYs will be determined by Public Health's ability to reach more African American birthing people.

Approval of Recommendation 3 will allow Public Health to execute change notices to the contracts that authorize budget modifications and corresponding service adjustments, and as necessary, changes to hours of operation and/or service locations.

Approval of Recommendation 4 will allow Public Health to immediately suspend or terminate contracts with contractors who fail to perform and/or fully comply with contract requirements, to terminate contracts for convenience by providing 30-calendar days' advance written termination notice to contractors.

### **Implementation of Strategic Plan Goals**

The recommended actions support North Star 1 of the County's Strategic Plan with focus on Healthy Individuals and Families.

### **FISCAL IMPACT/FINANCING**

The total estimated cost for the three recommended contract extensions for the period effective July 1, 2025, through June 30, 2026, is \$3,050,000, fully offset by State General Funds, Federal Title V, and Federal Title XIX, awarded by CDPH.

There is no net County cost associated with this action.

Funding is included in Public Health's Recommended Budget for fiscal year (FY) 2025-26 and will be included in future FYs, as necessary.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The statewide BIH program began in 1989 to address the alarming number of black infant deaths in the state of California. Even now, health disparities are prevalent in African American communities in LAC. Since 1993, Public Health has contracted with community-based organizations to provide BIH services using the CDPH BIH Program model. Data compiled by the Public Health Maternal, Child and Adolescent Health Division in 2012 demonstrated that the infant mortality rate for African American babies in LAC was twice as high as the overall County rate and that of white babies. Data from 2022 showed that African American babies' infant mortality rate (9.4) remained at over two times the rate of the overall County rate (3.9) and varied greatly across SPAs (13.2 in SPA 1, 7.1 in SPA 6 and 8.7 in SPA 8). Based on an analysis of selected perinatal indicators, high-need priority areas were identified as SPA 1, 6, and 8.

In 2014, CDPH notified all local health jurisdictions (LHJ) that the distribution of BIH funding for the state-wide program would be recalculated to reflect the latest data on African American deaths. As a result, CDPH determined that COP was no longer eligible to directly receive State BIH funds. It was also determined that LAC should include COP as a County contractor to allow for the continued provision of BIH services in Pasadena and the surrounding areas in SPA 3.

In 2022, CDPH began a beta test process related to the BIH group services curriculum that resulted in a revision to the CDPH BIH curriculum that the contractors rolled out in the targeted SPAs as they increased enrollment into the LAC BIH program. This increased services in SPAs 1, 3 and 6, while eliminating services in SPA 8. CDPH allocated BIH services in SPA 8 directly to the City of Long Beach.

In the 2023 CDPH BIH Request for Supplemental Information, LHJs receiving BIH funding were required to expand BIH services to more African American mothers/birthing people. Public Health's expansion plan included establishing a new BIH program site in SPA 2 and increasing the number of program sites from four to six.

As required by Board Policy 5.100, your Board was notified on January 21, 2025, of Public Health's intent to request approval to extend the term of three BIH services contracts as sole source contracts.

County Counsel has reviewed and approved Exhibit I as to use. Attachment A is the Sole Source Checklist signed by the CEO.

## **CONTRACTING PROCESS**

On March 8, 2016, Public Health released an Invitation for Bids (IFB) to solicit BIH services. On August 23, 2016, your Board approved contracts for BIH services in SPA 1, 6 and 8.

For several years, your Board has approved contracting with various entities to provide BIH services in high priority areas in LAC.

On June 6, 2023, the Board approved the extension of Public Health contracts with three agencies to provide BIH services in high priority areas as follows: a) AFK under Contract Number PH-003173 for services in LAC SPA 1; b) TCC under Contract Number PH-003175 for services in SPA 6; and c) COP under Contract Number PH-002924 for services in SPA 3. These contracts are scheduled to end on June 30, 2025.

Public Health is planning to release a solicitation by the year 2026 to align with the BIH program services expansion plan and revised CDPH BIH program requirements. In the meantime, the extension of the three BIH contracts will allow for the continued provision of needed services until new contracts are executed. Furthermore, CDPH's allocation for subsequent FYs will be determined by Public Health's ability to reach this underserved population.

#### **IMPACT ON CURRENT SERVICES**

Approval of the recommended actions will allow Public Health to continue the provision of BIH program services in LAC to address the problem of poor birth outcomes and health disparities that affect African American women and their babies.

Respectfully submitted,

Barbara Ferrer, Ph.D., M.P.H., M.Ed.  
Director

BF:cv  
#08059

Enclosures

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

## BIH Scope of Work Description

The Scope of Work (SOW) is a very important document because it contains the deliverables of the contract for which **CONTRACTOR NAME (Contractor)** is responsible. The SOW functions as a master plan for the program. The Contractor should become intensely familiar with the SOW to establish, maintain, and implement a thriving BIH Program. The Contractor is encouraged to be creative in the development of their program, which may result in the creation of additional goals and objectives not described herein.

The SOW contains broad statements that describe the objectives of the program, activities that will lead to achieving the objectives, a timeline for accomplishing activities, and methods of evaluation that determine and measure a Contractor's success in establishing a BIH Program. The SOW is organized with the goals at the top, the measurable objectives in the first column, the implementation activities in the second column, the timeline in the third column, and the methods of evaluation in the fourth column. The implementation activities, timeline, and methods of evaluation all support the measurable objective.

- ❖ Goals – A description of the desired outcomes of the program.
- ❖ Measurable Objectives – The process and outcome activities (stated in measurable terms) by which the goals will be accomplished.
- ❖ Implementation Activities – The essential actions/steps needed to achieve the objectives.
- ❖ Timeline – The due date(s) to accomplish each implementation activity.
- ❖ Method(s) of Evaluation – A description of how the objective will be documented to determine successful achievement of the objective.

The BIH staff and subcontractor(s)/consultant(s) implementing program services are instrumental in managing the SOW objectives and are responsible for the performance of the implementation activities. The SOW is a part of the final contract with the Los Angeles County Department of Public Health and will be monitored for compliance.

The term 'Program Fidelity' is used within the document and it refers to how well an intervention is implemented in comparison with the original program design. Fidelity criteria are necessary to maintain the original program design, and to ensure the program services being implemented are the same across sites. Consequently, the Contractor must ensure all staff and subcontractor(s)/consultant(s) performing BIH services receive a copy of the SOW and become thoroughly familiar with its content.

***CDPH reserves the right to modify, reduce or rescind any stated awards if there are eliminations or reductions by the State Budget and/or Federal Title XIX or if the LHJ is unable to implement or meet stated objectives within specified time periods. Allocations will be final only after the Budget Act for each fiscal year is signed as budget appropriations can change each year. All state appropriations are subject to modification or elimination. If the appropriation amount is modified in any fiscal year, the awards will be increased, reduced or eliminated to reflect subsequent changes.***

**Exhibit B-##**

**Black Infant Health Program (BIH) Program Services  
Scope of Work  
July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

**Goals**

- Empower African American women, build resilience and reduce stress
- Promote healthy behaviors to support health, wellness and relationships
- Promote healthy relationships and enhance bonding and parenting skills
- Connect women with medical, social, economic and mental health services
- Engage African American communities to raise awareness and mobilize community action to support BIH efforts and improve conditions for African American women and their families

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
<p><b>1.1 The Contractor will maintain qualified staff to conduct a community-based Black Infant Health (BIH) Program that is relevant to African American women, culturally competent and honors the unique history/traditions of people of African American descent.</b></p> <p><b>BIH Fidelity Core Element</b></p> <ul style="list-style-type: none"> <li>➤ Are efforts made to continually ensure quality staffing of the BIH program?</li> </ul> <p><b>A working definition of cultural competence is...</b>  <i>"Cultural and linguistic competence is a set of congruent behaviors, attitudes, and policies that come together in a system, agency, or among professionals that enables effective work in cross-cultural situations. 'Culture' refers to integrated patterns of human behavior that include the language, thoughts, communications, actions, customs, beliefs, values, and institutions of racial, ethnic, religious, or social groups. 'Competence' implies having the capacity to function effectively as an individual and an organization within the context of the cultural beliefs, behaviors, and needs presented by consumers and their communities."</i></p>	<p><b>1.1a</b> Maintain culturally competent staff to perform program services. The staff must possess knowledge, understanding and respect for the values and beliefs of the African American community, and support the BIH governing concepts of: culturally relevant; participant-centered; strength-based; cognitive skill-building.</p> <p><b>Staff REQUIRED to perform BIH services:</b></p> <p><b>Mental Health Specialist (MHS) (2.0 Full Time Equivalent (FTE) – Two (2) staff are responsible for Participant Enrollment and Mental Health Services. Duties include and are not limited to: conducting program orientation in-take; obtaining consent; initiating the first Prenatal and first Postpartum assessments; conducting the EPDS screening; disseminating the GIS to new participants; assigning participants to a FHA; co-leading monthly case conferences; identifying needed mental health resources for participants; conducting quarterly in-service presentations for BIH staff; coordinating duties/tasks with other BIH staff to establish</b></p>	<p>07/01/25 – 06/30/26</p> <p>Hire within 3 months of vacancy</p>	<p><b>1.1a</b> Maintain on file for each position: current duty statement; recruitment ad/bulletin/flyer(s); employment applications; resumes; rated/scored interview tools; documentation of the position minimum requirements and supporting documents (e.g., I9 Employment Eligibility; Letter of Support (LOS); diploma/official transcript/certificate; a valid CA driver license and auto insurance that remains current while performing program tasks/activities, etc.).</p> <p><b>Position Minimum Requirements</b></p> <p><b>MHS</b> – Minimum of a Master's Degree in one of the following fields: a) social work, b) counseling, or c) psychology with an emphasis on the family and/or women/children; three (3) years of experience providing direct services to the target population; socio-cultural experience(s) compatible for the target population; excellent oral and written communications; interpersonal skills; critical thinking and problem-solving skills.</p>

Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
	<p>interconnected roles that support participants and foster teamwork.</p> <p><b>Community Outreach Liaison (COL) (2.0 FTE) –</b> Two (2) staff are responsible for program Outreach, Recruitment and Collaboration activities in the service area. Duties include and are not limited to: developing and implementing a Recruitment Plan (RP) for the service area; designing and executing outreach activities that increase program enrollment, inform the community about Black birth disparities and BIH services; creating a referral network; updating the resource directory; coordinating duties/tasks with other BIH staff to establish interconnected roles that support participants and foster teamwork.</p> <p><b>Group Facilitator (GF) (4.0 FTE) –</b> Four (4) staff are responsible for implementation of Group Services. Duties include and are not limited to: creating the Group Intervention Schedule (GIS); managing logistics for group sessions; co-facilitating the Prenatal (PN) and Postpartum (PP) Group series; documenting participants' engagement in group sessions; researching perinatal/other relevant subjects to enhance group session content and participants' knowledge; distributing client support materials to active group participants, which includes ensuring participants receive a case (qty. 120+) of diapers for completing 7+ PN and/or PP sessions; participating in case conferences to share insights observed during group sessions/individual interactions with participants; coordinating duties/tasks with other BIH staff to establish</p>	<p>Hire within 3 months of vacancy</p> <p>Hire within 3 months of vacancy</p>	<p><b>COL –</b> Minimum of a Bachelor's Degree in one of the following fields: a) public relations, b) marketing, or c) communications; three (3) years of experience providing information/making presentations to the target population/community; excellent oral and written communications; interpersonal skills; critical thinking and problem-solving skills.</p> <p><b>GF –</b> Minimum of a Bachelor's Degree in one of the following fields: a) women/maternal, child/infant health, b) social work, c) health education, or d) African American Studies; three (3) years of experience providing direct services to the target population; socio-cultural experience(s) compatible for the target population; excellent oral and written communications; interpersonal skills; critical thinking and problem-solving skills.</p>

Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
	<p>interconnected roles that support participants and foster teamwork.</p> <p><b>Family Health Advocate (FHA) (5.0 FTE) -</b> Five (5) staff are responsible for One-on-One Support Services. Duties include and are not limited to: assisting participants to create goals and develop a Life Plan; initiating follow-up assessments; maintaining monthly contact with participants; making appropriate medical/family supportive referrals and following-up to ensure services are accessed; documenting participants' engagement in 1:1 services and program activities; conducting home visits; coordinating duties/tasks with other BIH staff to establish interconnected roles that support participants and foster teamwork.</p> <p><b>Data Entry Lead (DEL) (1.0 FTE) –</b> One (1) staff is responsible for the ETO Data Management and Administrative/Clerical Activities. Duties include and are not limited to: serving as the data liaison for CDPH BIH EPI and Public Health AA; maintaining accurate logs/documentation for participant transportation, equipment, program supplies and client support materials; word processing; answering phones, maintaining filing systems; coordinating duties/tasks with other BIH staff to establish interconnected roles that support participants and foster teamwork.</p>	<p>Hire within 3 months of vacancy</p> <p>Hire within 3 months of vacancy</p>	<p><b>FHA</b> – Minimum of a Bachelor's Degree in one of the following fields: a) women/maternal, child/infant health, b) social work, c) health education, or d) human services; three (3) years of experience providing direct services to the target population; socio-cultural experience(s) compatible for the target population; excellent oral and written communications; interpersonal skills; critical thinking and problem-solving skills.</p> <p><b>DEL</b> – Minimum of an Associate of Arts degree in one of the following fields: a) information systems, b) database management, or c) office technology; three (3) years of experience performing data entry/retrieval tasks; three (3) years of experience performing general office duties; excellent communication and interpersonal skills; critical thinking and problem-solving skills.</p>



**Exhibit B-##**

**Black Infant Health Program (BIH) Program Services  
Scope of Work  
July 1, 2025 through June 30, 2026**

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MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
	<p><b>Care Giver/Outreach Assistant (CGOA) (2.0 FTE)</b> – Two (2) staff are responsible for implementing Child Watch services and conducting community outreach. Duties include and are not limited to: collaborating with the GFs to establish a safe, sanitized and appropriate room/space for conducting child watch activities; reading books, showing videos and playing music; supervising playtime; recruiting eligible pregnant and postpartum women with the COLs; coordinating duties/tasks with other BIH staff to establish interconnected roles that support participants and foster teamwork.</p> <p><b>OPTIONAL additional staff position(s):</b></p> <p><b>Program Supervisor (PS)</b> – One (1) staff person will supervise the full implementation of the CDPH BIH Program Group Intervention, One-on-One Support Services and the Efforts to Outcome (ETO) Data System. Duties include and are not limited to: serving as the liaison for CDPH BIH (Program Consultant (PC); Research Analyst (RA)), Public Health BIH &amp; PEI (County Coordinator (CC); PHN; Contract Program Auditor (CPA); Administrative Assistant (AA); Fatherhood Coordinator (FC)); employing leadership skills to cultivate an interconnected team that seamlessly supports BIH participants and works collaboratively together; performing programmatic, administrative and fiscal tasks; hiring/on-boarding qualified staff to fill required staff roles; synthesizing information, analyzing data, writing reports and making presentations; conducting bi-weekly team meetings; developing and</p>	<p>Hire within 3 months of vacancy</p> <p>Hire within 3 months of vacancy</p>	<p><b>CGOA</b> - Minimum of an Associate of Arts Degree/Certificate in early childhood education; three (3) years of professional child care experience (infants, toddlers, preschoolers); cheerful and friendly personality; ability to build rapport with new parents; patient and empathetic; organized and familiar with childcare best practices including infant care; socio-cultural experience(s) compatible for the target population; excellent communication and interpersonal skills; critical thinking and problem solving skills.</p> <p><b>PS</b> – Minimum of a Bachelor's Degree in one of the following fields: a) women/maternal, child/infant health, b) public/business administration, or c) a closely related health/social science field; five (5) years management experience including the supervision of 8+ employees; socio-cultural experience(s) compatible for the target population; excellent oral and written communications; interpersonal skills; critical thinking and problem-solving skills. Maintain Public Health approval on file.</p>

Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
	<p><i>implementing a BCC to support program goals; collaborating with other organizations/programs to enhance program services and support participants' perinatal experiences.</i></p> <p><b>Requirement</b> - The Contractor must obtain approval from the CC and PC before hiring a Program Supervisor.</p> <p><i>PS Hiring Process... The Contractor will submit to the CC a copy of the interview tool that will be used to evaluate applicants for the PS position. The CC will review the tool, provide feedback and approve the tool.</i></p> <p><i>After conducting PS interviews, the Contractor will submit to the CC a rated/scored interview tool, a resume, a writing sample (1-page maximum) and a LOS for the candidate they want to hire. The LOS should succinctly detail information the Contractor learned about the candidate during the interview, summarize the top strengths and indicate any challenge(s) that the Contractor will prioritize for staff development/training if the candidate is hired. Additionally, it is strongly recommended that the Contractor conduct reference checks to validate the candidate's job history, experience, knowledge and skills. The CC will review the candidate's information and confer with the Contractor for clarification and/or to request additional information.</i></p> <p><i>The CC will forward the candidate's documents/information to the PC to facilitate final approval/denial of the PS candidate.</i></p>		

Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
	<p><u>If a PS position is not included in the program budget, the PS duties and position minimum requirements must be fully assumed within the MHS positions, and only one (1) MHS can serve as the Program Supervisor.</u></p> <p><b>Project Assistant (PA) –</b> One (1) staff person will assist the PS with program operations, and specifically supervise and implement Outreach, Recruitment and Collaboration activities. Duties include and are not limited to: developing and implementing a RP with the COLs; monitoring and tracking outreach efforts to ensure service goals are achieved; participating regularly as an active member of the AAIMM / SLASB CAT Planning Team; making monthly community presentations in the service area; cultivating, maintaining and documenting collaborative partnerships for resource sharing; designing and executing outreach activities that increase community awareness of Black birth disparities and BIH services; and coordinating duties/tasks with other BIH staff to establish interconnected roles that support participants and foster teamwork.</p> <p><u>If a PA position is not included in the program budget, the duties must be fully assumed by the PS.</u></p>	Hire within 3 months of vacancy	<p><b>PA –</b> Minimum of a Bachelor's Degree in one of the following fields: a) women/maternal, child/infant health, b) public/business administration or c) marketing; five (5) years management experience including the supervision of 4 or more employees; socio-cultural experience(s) compatible for the target population; excellent oral and written communications; interpersonal skills; critical thinking and problem-solving skills.</p>

Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
<b>2.1 The Contractor will ensure the Fiscal Manager (FM) and all BIH staff and subcontractor(s) performing program implementation activities are trained on the CDPH-mandated Federal Financial Participation (FFP) Program and the Public Health Automated Time Study Procedures, Health Insurance Portability and Accountability Act (HIPAA) and Title 42 of the Code of Federal Regulations Part 2, as it relates to substance use disorder treatment.</b>	<b>2.1a</b> Staff/subcontractor(s)/FM will attend the CDPH FFP Program and/or Public Health Time Study training(s).	As scheduled	<b>2.1a</b> Maintain training certificate/documentation in staff/subcontractor(s) personnel files.
	<b>2.1b</b> Contractor will use the CDPH and Public Health training materials to train new staff/subcontractor(s)/FM about the FFP Program and Time Study procedures within the first two (2) weeks of employment.	As needed	<b>2.1b</b> Maintain on file current copies of the CDPH and Public Health training materials. Maintain training certificate/documentation in staff/subcontractor(s) personnel files.
	<b>2.1c</b> As required by Public Health, staff/subcontractor(s) will complete quarterly time study forms for July and October 2025, and January and April 2026. Original forms (signed in blue ink), a staffing roster and time card records for July, October, January and April will be delivered (email, overnight mail or hand delivery) to the CPA no later than the 10 <sup>th</sup> workday of the following month.	08/14/25 11/14/25 02/13/26 05/14/26	<b>2.1c</b> Maintain on file copies of mail/delivery receipts.
	<b>2.1d</b> CPA will review original Time Study forms and return forms to the Contractor for correction. Staff/subcontractor(s) will correct and resubmit forms to the CPA no later than seven (7) calendar days from receipt.	08/31/25 – 06/30/26	<b>2.1d</b> Maintain on file copies of corrected quarterly time studies and delivery receipts.

Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

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MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
<p><b>2.2 The Contractor will ensure all BIH staff/subcontractor(s) performing program implementation activities are trained on the CDPH-mandated Recruitment Procedures, Group Curriculums, One-on-One Support Services and the ETO Data System.</b></p> <p><i>Public Health CC will coordinate core intervention training with the CDPH BIH Program Office.</i></p>	<p><b>2.2a</b> Staff/subcontractor(s) will attend CDPH BIH Recruitment, Group Curriculums, 1:1 Support Services and ETO trainings.</p> <p><b>2.2b</b> PS will use the CDPH BIH recruitment strategy, group curriculums, 1:1 support protocol and ETO guidelines to train new staff/subcontractor(s) to deliver BIH services.</p> <p>PS will develop a training schedule for each new hire within the first two (2) weeks of employment to ensure staff/subcontractor(s) are consistently acclimated to BIH Program services, job duties and responsibilities. The training plan will be submitted to the CC for review.</p> <p>PS will complete on-boarding new staff/subcontractor(s) within the first sixty (60) days of their employment.</p> <p><b>2.2c</b> Quarterly, the PS will observe the PA, COLs, MHSs, FHAs, DEL and CGOAs in their roles and provide feedback to support staff development. Submit copies of the completed/signed feedback forms to the CC for review.</p>	<p>As scheduled</p> <p>As needed</p> <p>By 09/15/25 By 12/15/25 By 03/15/26 By 06/05/26</p>	<p><b>2.2a</b> Maintain training certificate/documentation in staff/subcontractor(s) personnel files.</p> <p><b>2.2b</b> Maintain on file current copies of the CDPH BIH group curriculums, 1:1 support services protocol, ETO guidelines, recruitment procedures and Public Health Acknowledgment of Receipt. Maintain training certificate/documentation in staff/subcontractor(s) personnel files.</p> <p><b>2.2c</b> Maintain on file completed performance feedback forms and Public Health Acknowledgment of Receipt.</p>

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MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
<p><b>2.3 The Contractor will ensure all BIH staff/subcontractor(s) performing program implementation activities attend or receive appropriate staff development/training.</b></p> <p><i>Public Health CC will coordinate SIDS and Safe Sleep for Infants Training and Immunizations Training.</i></p>	<p><b>2.3a</b> Contractor will ensure staff/subcontractor(s) receive on-going training on perinatal health subjects (e.g., stages of pregnancy; effects of drugs, alcohol and tobacco on pregnancy; postpartum depression; family planning; child safety; nutrition and physical activity; etc.) and other topics (e.g., time management; self-care; intimate partner violence; active listening; basic counseling skills; etc.) that will improve their knowledge, skills and ability to perform program services competently with participants.</p>	As scheduled	<p><b>2.3a</b> Maintain training certificate/documentation in staff/subcontractor(s) personnel files.</p>
	<p><b>2.3b</b> Staff/subcontractor(s) will attend the Public Health SIDS and Safe Sleep Training.</p>	As scheduled	<p><b>2.3b</b> Maintain on file current Public Health SIDS and Safe Sleep training materials. Maintain training certificate/documentation in staff/subcontractor(s) personnel files.</p>
	<p><b>2.3c</b> PS will review the SIDS and Safe Sleep Education Form to ensure the form is suitable for documenting 1:1 SIDS education with participants and that FHAs are adept at using the form. Submit form to the Public Health CC for review and approval.</p>	08/01/25	<p><b>2.3c</b> Maintain Public Health approval on file.</p>
	<p><b>2.3d</b> During 1:1 support, FHAs will educate participants about SIDS and Safe Sleep at the following intervals: during a home visit within two (2) weeks of the infant's birth; during a home visit when the infant is 7 months old.</p> <p>At each SIDS and Safe Sleep visit, FHAs will observe the infant's sleeping area and sleeping position to provide the parents/other</p>	07/01/25 – 06/30/26	<p><b>2.3d</b> Maintain an up-to-date/completed SIDS and Safe Sleep Education Form in the participant's file. During the Annual Program Review participant records will be reviewed for compliance.</p>

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MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
	care-givers appropriate feedback to reinforce SIDS and Safe Sleep messages, and will document the observations on the participant's SIDS and Safe Sleep Education Form.		
	<b>2.3e</b> PHN or PS will use the Public Health SIDS and Safe Sleep training materials to train new staff/subcontractor(s) within the first sixty (60) days of employment.	As needed	<b>2.3e</b> Maintain training certificate/documentation in staff/subcontractor(s) personnel files.
	<b>2.3f</b> PHN will educate staff/subcontractor(s) and participants about the importance of immunizations.	As needed	<b>2.3f</b> Maintain training certificate/documentation in staff/subcontractor(s) personnel files and participant records.
	<b>2.3g</b> PHN will educate staff/subcontractor(s) and participants about the impact of tobacco use/exposure during the perinatal period.	As needed	<b>2.3g</b> Maintain training certificate/documentation in staff/subcontractor(s) personnel files.

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The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
<p><b>3.1 The Contractor will increase awareness about African American birth outcomes and BIH Program services by conducting community engagement activities in the service area.</b></p> <p><b>TARGETED SERVICE AREA (SA)*</b></p> <p><b>SA 6</b></p> <p><i>*CDPH BIH-defined Service Area is the same as Public Health service planning area (SPA) 6.</i></p> <p><i>All flyers/educational materials purchased with BIH funding must have the CDPH BIH logo and include a funding tag line that reads: "Funded by the California Department of Public Health and the Los Angeles County Department of Public Health."</i></p> <p><b>BIH Fidelity Core Element</b></p> <ul style="list-style-type: none"> <li>➤ Are efforts made to establish and maintain community linkages?</li> </ul>	<p><b>3.1a</b> PA and COLs will review the Recruitment Plan (RP) to ensure it is sufficient for establishing linkages and engagement with African American communities in SA 6. Submit a RP bi-annually to the CC for review and approval.</p> <p>At a minimum include in the RP: 1) a description of the way community engagement will be conducted within the service area including guidelines for staff to conduct street/provider/media outreach to recruit eligible women into groups; 2) an elevator speech that contains standardized messages about adverse health outcomes for African American women and babies, a narrative about BIH's emphasis to empower black women and a program description that will attract women to enroll; 3) a policy to follow-up referrals within 48 hours, and making three attempts to contact; 4) a policy to distribute culturally appropriate program brochures, flyers and educational materials; 5) a policy to develop and maintain an up-to-date resource directory/file for staff use; 6) a policy to use the BIH Recruitment Form and the Recruitment Form for Referring Partners.</p> <p><b>3.1b</b> PA, COLs and CGOAs will implement the RP, enroll African American women in the BIH Recruitment Program and create a participant record (paper/electronic).</p>	<p>08/01/25 - 02/06/26</p> <p>07/01/25 – 06/30/26</p>	<p><b>3.1a</b> Maintain on file a Recruitment Plan Binder that contains the Recruitment Plan and Public Health approval.</p> <p><b>3.1b</b> Maintain on file participant records (paper/electronic). At the Annual Program Review, participant records will be reviewed to ensure Recruitment Program standards are progressing/achieved.</p>



Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
	<p><b>3.1c</b> PA and COLs will make <del>a minimum of 5</del> (minimum) unduplicated community presentations each month in the service area to cultivate and maintain working relationships with the community and collaborative partners.</p> <p><b>3.1d</b> PA and COLs will create informal and formal partnerships with other programs, agencies and entities to support BIH participants and program services.</p> <p><b>3.1e</b> COLs will post program events/activities on the CDPH BIH and AAImm websites.</p> <p><b>3.1f</b> PA and COLs will schedule and participate in community engagement activities (e.g., collaborative meetings; community events; etc.) that benefit the participants living in the service area.</p> <p>Document the staff/subcontractor(s) participating in the activity, the address where the activity takes place and if appropriate, record community participation via sign-in/attendance sheets or registration list with contact information (phone number or email address or work/home address including zip code).</p> <p><b>3.1g</b> PS will ensure/solicit a cross-section of 11 community members to serve as BIH Community Council (BCC) members. (BIH</p>	<p>07/01/25– 06/30/26</p> <p>07/01/25– 06/30/26</p> <p>07/01/25– 06/30/26</p> <p>07/01/25 – 06/30/26</p> <p>07/01/25 - 06/30/26</p>	<p><b>3.1c</b> Maintain on file in the Recruitment Plan Binder (by month/year), a synopsis of the community presentation (name of presenter(s); location of the presentation; list of attendees; info presented/topics discussed; follow-up needed; etc.)</p> <p><b>3.1d</b> Maintain on file in the Recruitment Plan Binder, descriptions of informal partnerships and current (within the past two fiscal years) Memorandums of Agreement for formal partnerships.</p> <p><b>3.1e</b> Maintain on file in the Recruitment Plan Binder copies of emails for posting requests submitted to CDPH BIH and Public Health.</p> <p><b>3.1f</b> Maintain on file in the Recruitment Plan Binder (by month/year), a description of the community engagement activity/event including required documentation.</p> <p><b>3.1g</b> Maintain in the Recruitment Plan Binder, a current BCC roster with contact information (name, organizational affiliation, title, address, phone</p>

Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
	staff cannot be included in this count.)  <b>3.1h</b> PS will conduct quarterly (minimum) BCC meetings to obtain input and support for program activities, and to work collaboratively to improve African American birth outcomes and family health in the service area.	07/01/25 – 06/30/26	number) for each council member.  <b>3.1h</b> Maintain in the Recruitment Plan Binder, BCC meeting notices, agendas and minutes.

**Exhibit B-##**

**Black Infant Health Program (BIH) Program Services  
Scope of Work  
July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
<p><b>4.1 The Contractor will conduct 18 Prenatal and 8 Postpartum Group/One-on-One Support series to serve a minimum of 208 participants (140 women via prenatal group; 68 women via postpartum group).</b></p> <p><b>Also, the Contractor can provide 1:1 Support Services for up to 112 (maximum) participants.</b></p> <p><b>In total, 320 participants will be served via BIH services.</b></p> <p><b>BIH Fidelity Core Elements</b></p> <ul style="list-style-type: none"> <li>➤ <i>Do participants meet eligibility requirements?</i></li> <li>➤ <i>Does staff follow enrollment guidelines?</i></li> <li>➤ <i>Do participants participate in the full intervention?</i></li> <li>➤ <i>Do group sessions meet structural standards?</i></li> <li>➤ <i>Do group sessions meet quality of delivery standards?</i></li> <li>➤ <i>Are efforts made to continue working on quality assurance?</i></li> </ul>	<p><b>4.1a</b> MHSs will review the written standardized In-take Procedure and make necessary updates to program/services information. Submit the In-take Procedure to the CC for review.</p> <p><b>4.1b</b> MHSs conduct an initial assessment with all new participants and complete required ETO forms. The purpose of the assessment is used to identify the participant's strengths and needs. MHSs will assign a FHA to a participant.</p> <p><b>4.1c</b> DEL will enroll eligible African American women into the BIH Services Program.</p> <p>Participant records (paper/electronic) must be arranged/maintained in identical order, contain completed required forms and clearly show regular and consistent interaction with participants. The Contractor must use record-keeping systems that maintain participant information/data <u>confidentially and securely</u>.</p> <p><b>4.1d</b> GFs will create a GIS and submit it quarterly to the AA for review.</p> <p><b>4.1e</b> GFs will implement the group series following the standards set forth in the BIH Group Curriculums, Program Standards, ETO Data Manual and Public Health Scope of Work.</p>	<p>08/01/25</p> <p>07/01/25 – 06/30/26</p> <p>07/01/25 – 06/30/26</p> <p>07/15/25 10/15/25 01/15/26 04/15/26</p> <p>07/01/25 – 06/30/26</p>	<p><b>4.1a</b> Maintain on file an up-to-date In-take Procedure and Public Health Acknowledgment of Receipt.</p> <p><b>4.1b</b> Maintain assessments in the participants' file (paper/electronic). At the Annual Program Review, participant records will be reviewed to ensure established Data Standards are achieved.</p> <p><b>4.1c</b> Maintain on file up-to-date participant records (paper/electronic). At the Annual Program Review, participant records will be reviewed to ensure the established Services Program Standards are achieved.</p> <p><b>4.1d</b> Maintain on file the GISs and Public Health Acknowledgment of Receipt.</p> <p><b>4.1e</b> Maintain on file up-to-date participant records, current copies of the BIH Group Curriculums, BIH Program Standards, BIH ETO Data Manual and Public Health Scope of Work. At the Annual Program Review, participant and program records</p>

**Exhibit B-##**

**Black Infant Health Program (BIH) Program Services  
Scope of Work  
July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
	<p>Contractor can hold groups at the program site, and must also secure two (2) other viable meeting locations in the service area to make sure participants have additional accessibility to group services and to ensure the minimum number of groups are implemented.</p> <p>Groups must be held in culturally affirming/aesthetic spaces that comfortably hold 8-12 participants and have dedicated space for child watch. The meeting space must be safe for staff and participants to access and meet regularly.</p> <p>CGOAs will conduct child watch service following professional child care standards. This includes and is not limited to: set-up/clean-up of the designated space for infants and other children; diapering/toileting; at an age appropriate level reading books, showing videos, playing music; supervising playtime and naptime.</p> <p>MHSs and PHN will participate in CDPH BIH-selected group sessions to provide perinatal mental health/medical information.</p> <p>Staff/subcontractor(s) and PHN will encourage participants to attend and to participate fully in group sessions.</p>		<p>will be reviewed to ensure compliance.</p>

Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
<p><b>4.2 The Contractor will provide One-on-One Support services for all participants.</b></p> <p><b>BIH Fidelity Core Elements</b></p> <ul style="list-style-type: none"> <li>➤ Does case management meet structural standards?</li> <li>➤ Does case management meet quality of delivery standards?</li> </ul>	<p><b>4.1f</b> PS will participate in the Public Health Group Observation Visits (GOV). The CC will observe eight (8) prenatal group sessions and four (4) postpartum group sessions and provide the Contractor feedback to support BIH fidelity efforts.</p>	As scheduled	<p><b>4.1f</b> Maintain on file by month/year Public Health Group Observation Feedback Forms.</p>
	<p><b>4.1g</b> With guidance from the PC and/or CC, the Contractor and PS will develop Performance Improvement Plans (PIP) and participate in PIP conference calls with the PC and CC.</p> <p>Additionally, Contractor and PS will conduct a mid-year <i>Participant Satisfaction Survey</i> to obtain direct feedback about their experiences receiving BIH Program services. Contractor/PS will develop an action plan to implement new strategies that address participants' expectations and concerns. Submit the action plan to the CC for review.</p>	As required	<p><b>4.1g</b> Maintain on file completed PIPs, PC and/or CC Feedback, and Public Health Acknowledgement of Receipt.</p>
	<p><b>4.2a</b> FHAs will work collaboratively with participants to assist them to create a Life Plan. The intent of the Life Plan is to help the participant create personal goals that include specific activities/steps for reaching their goals.</p>	07/01/25 – 06/30/26	<p><b>4.2a</b> Maintain on file participant records (paper/electronic). At the Annual Program Review, participant records will be reviewed to ensure established Program Standards are achieved.</p>
	<p><b>4.2b</b> FHAs one-on-one support includes but is not limited to: coordinating with the GFs to reinforce the weekly group session topic; conducting 1:1 discussions in spaces that provide privacy/confidentiality for the participant; ensuring participants have prenatal/postpartum/pediatric health care;</p>	07/01/25 – 06/30/26	<p><b>4.2b</b> Maintain on file participant records (paper/electronic) that document the delivery of one-on-one support services. At the Annual Program Review, participant records will be reviewed to ensure established Program Standards are achieved.</p>

Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
	<p>distributing health education literature; providing cessation referrals to participants that smoke; ensuring participants have health insurance; updating the Life Plan; writing case/progress notes; conducting a home visit quarterly; participating in case conferences to share insights from 1:1 interactions; documenting/entering ETO forms; distributing support materials, including door-to-door transportation assistance; coaching participants in-home to complete a safety checklist; assisting participants to create a Birth Plan.</p> <p><b>4.2c</b> Staff/subcontractor(s) and PHN will provide participants with appropriate referrals that help expand and strengthen the participants' support system. Staff/subcontractor(s) and PHN will document the referrals and follow-up with participants to ensure services are accessed.</p> <p><b>4.2d</b> Staff/subcontractor(s) and PHN will refer the participant's husband/partner to the FC (Expecting Fathers Group) and other resources for dads. As applicable, the father's referral(s) will be documented in the participant's file. Staff/subcontractor(s) and PHN will document the fathers' referral(s) in the same location in all participant files.</p> <p><b>4.2e</b> Staff/subcontractor(s) and PHN will refer participants who use illicit drugs, alcohol and/or tobacco products to appropriate treatment programs.</p>	<p>07/01/25 – 06/30/26</p> <p>07/01/25 – 06/30/26</p> <p>07/01/25 – 06/30/26</p>	<p>.</p> <p><b>4.2c</b> Maintain on file participant records (paper/electronic) that document the referrals given to each participant. At the Annual Program Review, participant records will be reviewed.</p> <p><b>4.2d</b> Maintain on file participant records (paper/electronic) that document the father's referral(s). At the Annual Program Review, participant records will be reviewed.</p> <p><b>4.2e</b> Maintain on file participant records (paper/electronic) that document the referral(s) given to affected participants. At the Annual Program Review, participant records will be</p>

Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
<b>4.3 The Contractor will ensure BIH participants have access to mental health resources.</b>	Staff/subcontractor(s) and PHN will monitor the participant's effort to eliminate/reduce the risky behavior, provide harm reduction messages, encourage the participant and supply appropriate health education literature.		reviewed.
	Staff/subcontractor(s) and PHN will document the referrals and follow-up with participants to ensure services are accessed.		
	<b>4.2f</b> As a team, staff will conduct quarterly participant-centered program activities (e.g., workshop; event; etc.) that address one of the following subjects: a) personal development; b) family-strengthening; c) mental health; d) physical health.	By 08/31/25 By 11/30/25 By 02/28/26 By 05/31/26	<b>4.2f</b> Maintain on file by month/year Public Health Acknowledgement of Receipt, activity plans and documentation that identifies the staff who participated in the activity, an activity flyer, pictures of the activity and registration list(s) and sign-in sheet(s).
	PS will submit an activity plan (including costs) to the CPA for review 30 days (minimum) prior to the executing the event.		
	<b>4.3a</b> MHSs will assess participants' EPDS screening, and throughout the participant's enrollment will make appropriate mental health service recommendations/referrals.	07/01/25 – 06/30/26	<b>4.3a</b> Maintain on file participant records (paper/electronic) that document the mental health referral(s) given to affected participants. At the Annual Program Review, participant records will be reviewed.
	<b>4.3b</b> MHSs will conduct short-term basic counseling services and document the participant's file for participants who report/present MILD cases of: non-coping responses to life events; persistent family discord; continual experiences of loss.	07/01/25 – 06/30/26	<b>4.3b</b> Maintain on file participant records (paper/electronic) that document the mental health basic counseling services provided to affected participants. At the Annual Program Review, participant records will be reviewed.

Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
<p><b>5.1 The Contractor will use the BIH ETO System and enter all participant data for evaluation purposes.</b></p> <p><i>The Contractor is responsible for submitting program information and data in the format required/requested by CDPH BIH and Public Health. Public Health will provide a format for the monthly Invoice and Program Narrative/Data Report.</i></p>	<p><b>5.1a</b> Contractor will install all necessary computer equipment and software to meet CDPH BIH specifications.</p> <p><b>5.1b</b> DEL/staff/subcontractor(s)/PHN will enter, update and maintain participant data <b>ONLY</b> in the ETO data system.</p> <p><b>5.1c</b> As specified by Public Health, no later than the 15<sup>th</sup> of the month Contractor will submit the monthly Program Narrative/Data Report and monthly Invoice (reimbursement claim).</p>	<p>As needed</p> <p>07/01/25 – 06/30/26</p> <p>08/15/25 – 06/30/26</p>	<p><b>5.1a</b> At the <b>Contractor's</b> BIH Program site, computer equipment and software is installed and meets the required CDPH specifications.</p> <p><b>5.1b</b> At the Annual Program Review, data entered in ETO will be reviewed and compared to data collected from the participant (paper record) to ensure accuracy and completeness.</p> <p><b>5.1c</b> At the time of the Annual Program Review, the Public Health BIH Contractor's Invoice and Program Narrative/Data Report log will be reviewed to ensure timely submission of invoices and reports.</p>



Exhibit B-##

**Black Infant Health Program (BIH) Program Services**  
**Scope of Work**  
**July 1, 2025 through June 30, 2026**

The Contractor must work toward achieving the following measurable objectives. The objectives shall be achieved by following the work plan that is comprised of implementation activities, a timeline and methods of evaluation. Implementation activities are to be completed according to the timeline and are to be documented/evaluated as specified.

MEASURABLE OBJECTIVES	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATION
<b>6.1 Throughout the term of this agreement, Maintain communication and program coordination with Public Health, CDPH BIH Program Office and other stakeholders to maximize program effectiveness and to ensure fidelity in the BIH Program.</b>	<b>6.1a</b> PS and PA will attend the monthly Public Health PS Team Meeting hosted by the CC, and in rotation, host a meeting at BIH's <b>Contractor's</b> program site. (In the absence of the PS or PA, a MHS will be the proxy.) The Contractor will ensure the PS and PA attend 80% of the scheduled Team Meetings.	08/01/25 – 05/31/26	<b>6.1a</b> At the time of the Annual Program Review, the PS Team Meeting sign-in sheets/minutes will be reviewed to ensure compliance with attendance/participation in PS Team Meetings.
	<b>6.1b</b> Contractor will ensure all budgeted BIH staff/subcontractor(s) attend other CDPH and Public Health BIH <b>mandatory/required</b> trainings and meetings (e.g., BIH Annual Meeting; PAC activities (Black Joy Parade; KJLH Women's Health Expo); program/role-specific training; conference calls; focus groups; listening sessions; etc.).	07/01/25 – 06/30/26	<b>6.1b</b> Meeting registration, sign-in sheets and minutes will be reviewed to ensure compliance.

**BUDGET**  
**CONTRACTOR**  
**BLACK INFANT HEALTH SERVICES**

Budget Period  
 July 1, 2025  
 through  
June 30, 2026

Full-Time Salaries	\$
Employee Benefits @ %	\$
Total Full-Time Salaries and Employee Benefits	\$
Part-Time Salaries	\$
Employee Benefits @ %	\$
Total Part-Time Salaries and Employee Benefits	\$
<b>Total Salaries and Employee Benefits</b>	<b>\$</b>
Operating Expenses	\$
Other	\$
Indirect Cost @ % of Salaries	\$
<b>TOTAL PROGRAM BUDGET</b>	<b>\$</b>

Contract No. PH-00####

Amendment No. \_\_\_\_

**DEPARTMENT OF PUBLIC HEALTH  
BLACK INFANT HEALTH SERVICES CONTRACT**

THIS AMENDMENT is made and entered into on \_\_\_\_\_,

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

and CONTRACTOR NAME (hereafter  
"Contractor").

WHEREAS, reference is made to that certain document entitled "BLACK INFANT HEALTH SERVICES CONTRACT", dated \_\_\_\_\_, and further identified as Contract No. PH-00####, and any Amendments thereto (all hereafter "Contract"); and

WHEREAS, on Month XX, 2025, the Board of Supervisors authorized the Director of Public Health, or designee, to execute amendments to the Contract; and

WHEREAS, it is the intent of the parties hereto to amend Contract to extend the term of the Contract for one additional year, increase the maximum obligation of County, and make other hereafter designated changes; and

WHEREAS, County has been allocated funds from the State General Funds; Title V, Maternal and Child Health Services Block Grant, Assistance Listing Number (ALN) 93.994, and Title XIX, Medical Assistance Program Funds, ALN 93.778, of which a portion has been allocated to the Contract to support the Black Infant Health (BIH) program services; and

WHEREAS, said Contract provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties; and

MCAH BIH PH-00####-##

WHEREAS, Contractor warrants that it continues to possess the competence, expertise, and personnel necessary to provide services consistent with the requirements of this Contract.

NOW, THEREFORE, the parties hereto agree as follows:

1. This Amendment is hereby incorporated into the original Contract, and all of its terms and conditions, including capitalized terms defined therein, are given full force and effect as if fully set forth herein.

2. This Amendment is effective July 1, 2025.

3. Paragraph 2, DESCRIPTION OF SERVICES, Subparagraph A, is deleted in its entirety and replaced as follows:

"A. Contractor will provide services in the manner described in Exhibits B -1, B-2, B-3, B-4, B-5, B-6, B-7, B-8, B-9, B-10, B-11.1, B-12, and B-13 (Scopes of Work); attached hereto and incorporated herein by reference."

4. Paragraph 2, DESCRIPTION OF SERVICES, Subparagraph D, is deleted in its entirety and replaced as follows:

"D. Federal Award Information for this Contract is detailed in Exhibits K, K-1, and K-3, Notice of Federal Subaward Information, attached hereto and incorporated herein by reference."

5. Paragraph 3, TERM OF CONTRACT, first Subparagraph, is deleted in its entirety and replaced as follows:

"The term of this Contract is effective September 1, 2016, and continues in full force and effect through June 30, 2026, unless sooner terminated or extended, in whole or in part, as provided in this Contract."

6. Paragraph 4, MAXIMUM OBLIGATION OF COUNTY, Subparagraph M, is added to the contract as follows:

“M. For the period of July 1, 2025, through June 30, 2026, the maximum obligation of County for all services provided hereunder will not exceed AMOUNT(\$) as set forth in Exhibit C-13, attached hereto and incorporated herein by reference.”

7. Paragraph 9, CONFIDENTIALITY, Subparagraph A, is deleted in its entirety and replaced as follows:

“A. Contractor must maintain the confidentiality of all records and information in accordance with all applicable federal, State, and local laws, rules, regulations, ordinances, directives, guidelines, policies, and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information. In the event of a breach, suspected breach, or unlawful use or disclosure of confidential records, Contractor must immediately, no later than 24 hours after discovery, notify the County's Project Manager.

8. Exhibit B-13, Scope of Work, attached hereto and incorporated herein by reference, is added to the Contract.

9. Exhibit C-13, Budget, attached hereto and incorporated herein by reference, is added to the Contract.

10. Exhibit K-3, Notice of Federal Subaward Information, attached hereto and incorporated herein by reference, is added to the Contract.

11. Except for the changes set forth hereinabove, Contract will not be changed in any other respect by this Amendment.

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

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Barbara Ferrer, Ph.D., M.P.H., M.Ed.  
Director

\_\_\_\_\_  
Contractor

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

Title \_\_\_\_\_

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL  
DAWYN R. HARRISON  
County Counsel

APPROVED AS TO CONTRACT  
ADMINISTRATION:

Department of Public Health

By \_\_\_\_\_  
Contracts and Grants Division Management

#08059:cv

## BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	4/16/2025	
<b>BOARD MEETING DATE</b>	5/13/2025	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input checked="" type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Mental Health	
<b>SUBJECT</b>	Request approval to amend the existing facilities management services contract with CBRE Managed Services Inc., on a sole source basis, to increase the total contract sum for continuous provision of facilities management services (FMS) at the Martin Luther King-Behavioral Health Center (MLK-BHC).	
<b>PROGRAM</b>	Facilities Management Services	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why: Given knowledge and experience of CBRE, DMH has determined that it is in the best economic interest of the County to maintain this relationship, and add funding to existing contract.	
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable Submitted on 4/2/25	
<b>DEADLINES/ TIME CONSTRAINTS</b>	5/13/2025	
<b>COST &amp; FUNDING</b>	Total cost: \$7,643,177	Funding source: Department of Mental Health's Operating Revenues and Intra-fund Transfers from Department of Health Services, Department of Public Health, Department of Aging and Disabilities and Probation Department
	TERMS (if applicable): 2025: 1/1/2025 – 12/31/2025, and 2026: 1/1/2026-12/31/2026	
	Explanation: \$7,643,177 breaks down as follows: \$1,865,287 will be allocated to contract year 2025 and \$5,777,890 to contract year 2026.	
<b>PURPOSE OF REQUEST</b>	Approval of this Board Letter will allow DMH to add funds to CBRE's existing contract for continuous provision of facility management services at MLK-BHC.	
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	The Board, through a motion, authorized the Director of DMH to execute Contract No. MH540001 with CBRE on November 16, 2021, for provision of FMS at MLK-BHC and further delegated authority to DMH on June 6, 2023, to amend said contract. DMH is seeking the Board's approval to amend this Contract to increase the TCS as it has reached the previously approved 10 percent delegated authority for their current contract term.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain how: Effectively Support, The building houses various programs that are heavily utilized by the community. The ALMA group caters to children and adults with special needs who can benefit both physically and psychologically by using the facilities like the Aquatics Center. By having the building operator who provides a comprehensive building maintenance plan we can ensure that these types of facilities are always available to the community.	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how: Priority 7- Sustainability, Having a building maintenance operator ensures that the building mechanicals are routinely checked and maintained for optimal performance. This maximized life expectancy of the building and the mechanicals so the facility can be used by generations in the community.	
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email: Kimberly Nall, Administrative Deputy, (213) 947-6347, <a href="mailto:knall@dmh.lacounty.gov">knall@dmh.lacounty.gov</a> Rachel Kleinberg, Senior Deputy County Counsel, (213) 787-2442, <a href="mailto:rkleinberg@counsel.lacounty.gov">rkleinberg@counsel.lacounty.gov</a>	





# DEPARTMENT OF MENTAL HEALTH

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LISA H. WONG, Psy.D.  
Director

Curley L. Bonds, M.D.  
Chief Medical Officer

Rimmi Hundal, M.A.  
Chief Deputy Director

May 13, 2025

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

Dear Supervisors:

**APPROVAL TO AMEND THE EXISTING FACILITIES MANAGEMENT SERVICES  
CONTRACT WITH CBRE MANAGED SERVICES, INC., TO INCREASE THE TOTAL  
CONTRACT SUM FOR THE CONTINUOUS PROVISION OF FACILITIES  
MANAGEMENT SERVICES AT MARTIN LUTHER KING-BEHAVIORAL HEALTH  
CENTER  
ON A SOLE SOURCE BASIS  
(SUPERVISORIAL DISTRICT 2)  
(3 VOTES)**

**SUBJECT**

Request approval to amend the existing facilities management services contract with CBRE Managed Services, Inc., on a sole source basis, to increase the total contract sum for continuous provision of facilities management services at the Martin Luther King-Behavioral Health Center.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and authorize the Director of Mental Health (Director), or designee, to prepare, sign, and execute an amendment substantially similar to Attachment I to existing facilities management services (FMS) contract with CBRE Managed Services Inc., (CBRE), at Martin Luther King-Behavioral Health Center (MLK-BHC) to increase the Total Contract Sum (TCS), for the current contract term, which allows for an optional one-year extension period, through December 31, 2026. The TCS will increase by \$7,643,177, from \$17,223,486 to \$24,866,663, fully funded by State and federal revenues as well as Intrafund Transfers (IFT) from the Department of Health Services (DHS), the Department of Public Health (DPH), the Aging and Disabilities

Department (AD), and the Probation Department; annual allocations are identified in Attachment II. The amendment will be effective upon Board approval.

2. Delegate authority to the Director, or designee, to prepare, sign, and execute future amendments, including amendments to allow for additional optional extension periods through December 31, 2028, to the contract in Recommendation 1 to revise the TCS; shift unspent funds to future years; revise the language; add, delete, modify, replace the Statement of Work; and/or reflect federal, State, and County regulatory and/or policy changes provided that: 1) any increase will not exceed 10 percent of the Board-approved TCS indicated in Recommendation 1; and 2) sufficient funds are available. These amendments will be subject to prior review and approval as to form by County Counsel, with written notice to the Board and the Chief Executive Office (CEO).
3. Delegate authority to the Director, or designee, to terminate the contract described in Recommendation 1 in accordance with the termination provisions of the contract, including Termination for Convenience. The Director, or designee, will provide written notification to your Board and CEO of such termination action.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

DMH is requesting Board approval to amend the existing FMS contract with CBRE as they are providing professional facility management services at Martin Luther MLK-BHC, and diligently complying with contract requirements. Consequently, DMH finds CBRE to be an effective partner that provides excellent customer service on a daily basis.

Board approval of Recommendation 1 will allow DMH to amend the existing CBRE Contract at MLK-BHC to increase the TCS for the continued provision of FMS, as the contract has reached its previously Board-approved delegated authority for the existing term and will support funding the contract for the optional extension period, through December 31, 2026.

Board approval of Recommendation 2 will allow DMH to amend the contract in Recommendation 1, including additional optional extensions through December 31, 2028, to reflect other necessary changes in a timely manner for the continued provision of FMS without interruption in these services.

Board approval of Recommendation 3 will allow DMH to terminate the contract in Recommendation 1 in accordance with the contract's termination provisions, including Termination for Convenience, in a timely manner, as necessary.

### **Implementation of Strategic Plan Goals**

The recommended actions are consistent with the County's Strategic Plan North Star 3, Realize Tomorrow's Government Today, specifically Focus Area Goal D. - Streamlined and Equitable Contracting and Procurement, and Focus Area Goal E. - Data Driven Decision Making.

### **FISCAL IMPACT/FINANCING**

The total increase for the CBRE MLK-BHC contract is \$7,643,177, fully funded by State and federal revenues as well as IFT from DHS, DPH, AD, and the Probation Department. Of this amount, \$1,865,287 will be allocated to contract year 2025 and \$5,777,890 to contract year 2026.

Sufficient appropriation is included in DMH's FY 2024-25 Budget.

Funding for future fiscal years will be requested through DMH's annual budget request process.

There is no net County cost impact associated with the recommended action.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Based on the results of a competitive solicitation, the Board authorized the Director of Mental Health to execute Contract No. MH540001 with CBRE for the provision of FMS at MLK-BHC on November 16, 2021. The Board further delegated authority to DMH to amend said contract on June 6, 2023. DMH is seeking the Board's approval to amend this contract to increase the TCS as it has reached the previously approved 10 percent delegated authority for their current contract term. The amendment will also allow DMH to exercise its optional one-year extension and add the necessary funds.

DMH has determined CBRE to be a professional partner in managing the MLK-BHC facility. They have extensive knowledge of the facility and provide preventive maintenance daily. Given their knowledge and experience, DMH has determined that it is in the best economic interest of the County to maintain this relationship, add funding to existing contract, and exercise the option to extend the contract term as necessary.

In accordance with Board Policy No. 5.100 (Sole Source Contracts and Amendments), on November 21, 2024, DMH notified the Board of its intent to increase the TCS for the CBRE contract in Recommendation 1 for the continued provision of FMS (Attachment III). No objections were received from the Board offices. Attachment IV is the required CEO approved Sole Source Checklist for this contract.

The Honorable Board of Supervisors  
May 13, 2025  
Page 4

The amendment (Attachment I) has been approved as to form by County Counsel.

As mandated by your Board, the performance of all contractors is evaluated by DMH on an annual basis to ensure compliance with all contract terms and performance standards.

**IMPACT ON CURRENT SERVICES OR PROJECTS**

Board approval of the recommended actions will allow CBRE to provide ongoing professional facilities management services at MLK-BHC and allow DMH to make revisions/updates to the work provided by the contractors in a timely manner.

Respectfully submitted,

Lisa H. Wong, Psy.D.  
Director

LHW:RH:KN:SK:CM:atm

Attachments (4)

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

CONTRACT NO. MH540001

AMENDMENT NO. 6

THIS AMENDMENT is made and entered into this 13<sup>th</sup> day of May 2025, by and between the COUNTY OF LOS ANGELES (hereafter "County") and CBRE Managed Services, Inc. (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "Contract by and between County of Los Angeles Department of Mental Health and CBRE Managed Services, Inc. for Facilities Management Services" dated January 10, 2022, and further identified as County Contract No. MH540001, and any amendments thereto (hereafter collectively "Contract"); and

WHEREAS, on May 13, 2025, the County Board of Supervisors delegated authority to the Department of Mental Health Director, or designee, to execute an amendment to the Contract to extend the contract term, to revise Total Contract Sum (TCS), and make other designated changes; and

WHEREAS, said Contract provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties; and

WHEREAS, as the result of the changes, the contract term will be extended, and the TCS will increase; and

WHEREAS, Contractor warrants that it continues to possess the competence, expertise, and personnel necessary to provide services consistent with the requirements of the Contract, and consistent with the professional standard of care for these services.

WHEREAS, County and Contractor intend to amend the Contract only as described hereunder.

NOW, THEREFORE, County and Contractor agree as follows:

1. This amendment is hereby incorporated into the original Contract, and all its terms and conditions, including capitalized terms defined therein, will be given full force and effect as if fully set forth herein.
2. This amendment is effective upon execution.
3. The term of the Contract is extended by one year and will continue in full force through December 31, 2026, with the option to extend thereafter.
4. Paragraph 4 (Term of Contract) of the contract is deleted in its entirety and replaced with the following:

**“4 TERM OF CONTRACT**

4.1 The term of this Contract shall commence on January 10, 2022 and shall continue in full force and effect through December 31, 2026, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

4.2 The County shall have the sole option to extend this Contract term for additional periods up to December 31, 2028. Any such extension may be exercised at the sole discretion of the Director of Mental Health, or designee as authorized by the Board of Supervisors.

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

4.3 The Contractor shall notify the Department of Mental Health (DMH) when this Contract is within six months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to DMH at the address herein provided in Exhibit E-4 - County's Administration.”

5. The TCS is increased by \$7,643,177 from \$17,223,486 to \$24,866,663. For 2025, the contract sum is increased by \$1,865,287 from \$3,745,389 to \$5,610,676, and total of \$ 5,777,890 is allocated to contract year 2026.
6. Paragraph 5 (Contract Sum), subparagraph 5.1 (Total Contract Sum) of the contract is deleted in its entirety and replaced with the following:

**“5.1 Total Contract Sum**

The Total Contract Sum is \$24,866,663. Funding for Facilities Management services is described in Exhibit B-6 (Fee Schedule) and shall remain stable and fixed for the term of the Contract, including any optional extension periods, unless a written Contract amendment is approved by the County and executed by County and Contractor.

5.1.1 The Department may increase the total contract amount by up to 10%, as approved by the Board. The County does not warranty 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 warranty or represent that it will authorize the selected contractor(s) to perform any work or services of any monetary amount.”

7. Exhibit B-4 (Fee Schedule) is deleted at its entirety and replaced with Exhibit B-6, attached hereto and incorporated herein by reference.
8. Except as provided in this amendment, all other terms and conditions of the Contract will remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this amendment to be subscribed by County's Director of Mental Health or designee, and Contractor has caused this amendment to be subscribed on its behalf by its duly authorized officer, on the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
LISA H. WONG, Psy.D.  
Director of Mental Health

CBRE MANAGED SERVICES, INC.  
CONTRACTOR

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:  
OFFICE OF THE COUNTY COUNSEL

By: Rachel Kleinberg  
Senior Deputy County Counsel



**FACILITIES MANAGEMENT SERVICES  
MARTIN LUTHER KING JR. BEHAVIORAL HEALTH CENTER  
FEE SCHEDULE**

**1. TOTAL CONTRACT SUM**

The Department of Mental Health (DMH) shall pay Contractor for facilities management services per Exhibit A-1 (Statement of Work) rendered at the Martin Luther King Jr. Behavioral Health Center. The Total compensation for all services rendered shall not exceed the total contract award amounts noted below:

<b>Year</b>	<b>Maximum Amount</b>
Year One (2022)	\$3,745,389
Year Two (2023)	\$5,047,032
Year Three (2024)	\$4,685,676
Year Four (2025)	\$ 5,610,676
Year Five (2026)	\$ 5,777,890

**2. INVOICE SCHEDULE**

Contractor shall submit complete and accurate monthly invoices to the DMH Program Manager. The invoices shall include supplemental documentation. Each invoice submitted for payment shall include the following information in the header of the invoice: agency name, address, phone number, vendor number, contract number, date along with the name, number, and email address of person to contact for questions.

DMH designated staff will review the invoices and supplemental documentation to ensure all the necessary elements for tracking purposes have been included.

**3. PAYMENT PROCEDURES**

Payment to Contractor for facilities management services rendered shall be based on monthly invoices from Contractor to DMH. No payment shall be made without prior approval of the designated DMH Project Manager. The DMH Project manager shall review the invoice and supplemental documents to determine whether Contractor is in substantial compliance with the terms and conditions of this contract. Contractor shall be paid for facilities management services based on complete and accurate monthly invoices. Payment will be based only on the Exhibit A-1 (Statement of Work).

Contractor shall retain all relevant supporting documents and make them available to DMH at any time for audit purposes. Invoices submitted to DMH shall detail all monthly charges billed to DMH.

**FACILITIES MANAGEMENT SERVICES  
MARTIN LUTHER KING JR. BEHAVIORAL HEALTH CENTER  
FEE SCHEDULE**

Upon receipt of invoices from Contractor, DMH shall make payment to Contractor within 30 days of the date the invoice was received. If any portion of the invoice is disputed by DMH, DMH shall reimburse Contractor for the undisputed services contained in the invoice and work diligently with the Contractor to resolve the disputed portion of the claim in a timely manner.

DMH shall make reimbursements payable to Contractor. DMH shall send payments to:

**Name of Agency:** CBRE Managed Services Inc.  
**Address of Agency:** 2100 McKinney Avenue, Suite 900  
**City, State Zip:** Dallas, TX 75201

**4. DESIGNATED LAC-DMH CONTACT PERSON**

All questions and correspondence should be directed to the County Monitoring Manager indicated in Exhibit E-4 County's Administration via electronic mail.

**CBRE Contract # MH540001**

Martin Luther King - Behavioral Health Center

Contract Year	Current Contract Sum	Increase	Revised Contract Sum
2022	\$ 3,745,389		\$ 3,745,389
2023	\$ 5,047,032		\$ 5,047,032
2024	\$ 4,685,676		\$ 4,685,676
2025	\$ 3,745,389	\$ 1,865,287	\$ 5,610,676
2026	\$ -	\$ 5,777,890	\$ 5,777,890
<b>Total</b>	<b>\$ 17,223,486</b>	<b>\$ 7,643,177</b>	<b>\$ 24,866,663</b>



## DEPARTMENT OF MENTAL HEALTH

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LISA H. WONG, Psy.D.  
Director

Curley L. Bonds, M.D.  
Chief Medical Officer

Rimmi Hundal, M.A.  
Chief Deputy Director

November 21, 2024

TO: Supervisor Lindsey P. Horvath, Chair  
Supervisor Hilda L. Solis  
Supervisor Holly J. Mitchell  
Supervisor Janice Hahn  
Supervisor Kathryn Barger

FROM: Lisa H. Wong, Psy.D.  
Director

A handwritten signature in dark ink, appearing to read "Amy, B.D.", is written over the printed name and title of the sender.

SUBJECT: **NOTICE OF INTENT TO INCREASE THE TOTAL CONTRACT SUM FOR TWO EXISTING CBRE MANAGED SERVICES, INC., CONTRACTS FOR THE CONTINUED PROVISION OF FACILITIES MANAGEMENT SERVICES AT THE MARTIN LUTHER KING-BEHAVIORAL HEALTH CENTER AND MARTIN LUTHER KING-JACQUELINE AVANT CHILDREN AND FAMILY CENTER, ON A SOLE SOURCE BASIS**

In accordance with the Los Angeles County Board of Supervisors' (Board) Policy No. 5.100 (Sole Source Contracts and Amendments), the Department of Mental Health (DMH) is notifying your Board of our Department's intent to increase the Total Contract Sum (TCS) and exercise options under the contract to extend the term of two CBRE Managed Services, Inc., (CBRE) contracts, Martin Luther King (MLK)-Behavioral Health Center (BHC), contract number MH540001, and MLK-Jacqueline Avant Children and Family Center (JAC), contract number MH540002, on a sole source basis.

Specifically, DMH will request that your Board approve two sole source contract amendments as the contracts have reached their 10% delegated authority: 1) Amendment to CBRE contract number MH540001 will exercise the option to extend the term through December 31, 2026, and increase the TCS by \$7,643,177. Contract year allocations are as follows: \$1,865,287 for 2025 and \$5,777,890 for 2026. The total increase is fully funded by 2011 Realignment, and intrafund transfers from the Department of Health Services (DHS), the Department of Public Health (DPH), and the Department of Aging and Disabilities. 2) Amendment to CBRE contract number MH540002 will exercise the options to extend the contract through June 30, 2028, and to increase the TCS by \$2,607,400. The fiscal year allocations are as follows: \$237,700 for Fiscal Year (FY) 2024-25; \$237,700 for FY 2025-26; \$1,066,000 for FY 2026-27; and

\$1,066,000 for FY 2027-28. The total increase is fully funded by 2011 Realignment, and intrafund transfers from DHS, DPH, and Department of Children and Family Services.

### **JUSTIFICATION**

Under existing contracts, CBRE is providing professional facility management services (FMS) at MLK-BHC and MLK-JAC, and diligently complying with both contracts' requirements, consequently, DMH finds CBRE to be an effective partner that provides excellent customer service on a daily basis. CBRE has been managing the facilities prior to DMH opening the doors to provide mental health services to clients and have an unparalleled knowledge of the building and the various mechanics. It would take years for a new building manager to learn the buildings' daily problems and be able to provide preventive maintenance on a daily schedule. This knowledge comes from managing the building for several years and developing a routine and understanding of the facility. This facility has had major flooding, and Fire Life Safety issues that were handled expediently by CBRE that minimized the effect it had on clients and staff. Thus, DMH intends to exercise the previously Board-approved optional extensions for both contracts as this is the most cost-effective and efficient way to maintain these FMS without interruption. Extending the contracts through the optional extensions and increasing the TCAs correspondingly, allows DMH to address maintenance and unanticipated FMS timely.

### **NOTIFICATION TIMELINE**

Pursuant to Board Policy No. 5.100, DMH is required to notify the Board at least six months prior to the expiration of an existing contract to amend the contracts when departments do not have delegated authority to execute such amendment. If requested by a Board Office or the Chief Executive Office, DMH will place this item on the Health and Mental Health Services Cluster Agenda.

Unless otherwise instructed by the Board Office within four weeks of this notice, DMH will present the Board a letter for approval to amend CBRE contract number MH540001 and MH540002 to extend the initial term and to increase the TCS.

If you have any questions, or require additional information, please contact me at [LWong@dmh.lacounty.gov](mailto:LWong@dmh.lacounty.gov) or (213) 947-6670, or your staff may contact Stella Krikorian, Division Manager, Contracts Development and Administration Division, at [SKrikorian@dmh.lacounty.gov](mailto:SKrikorian@dmh.lacounty.gov) or (213) 943-9146.

LHW:RH:KN  
SK:CM:atm

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

**SOLE SOURCE CHECKLIST**

Department Name: \_\_\_\_\_

- ☐ New Sole Source Contract
- ☐ Sole Source Amendment to Existing Contract
- Date Existing Contract First Approved: \_\_\_\_\_

Check (✓)	<b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS AND AMENDMENTS</b> Identify applicable justification and provide documentation for each checked item.
	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. A monopoly is an <i>“Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist.”</i>
	➤ Compliance with applicable statutory and/or regulatory provisions.
	➤ Compliance with State and/or federal programmatic requirements.
	➤ Services provided by other public or County-related entities.
	➤ Services are needed to address an emergent or related time-sensitive need.
	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
	➤ Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract which has no available option periods.
	➤ Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available option periods.
	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best economic interest of the County (e.g., significant costs and time to replace an existing system or infrastructure, administrative cost and time savings and excessive learning curve for a new service provider, etc.). In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.

\_\_\_\_\_  
Chief Executive Office\_\_\_\_\_  
Date

## BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	4/16/2025	
<b>BOARD MEETING DATE</b>	5/13/2025	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input checked="" type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Mental Health	
<b>SUBJECT</b>	Request approval to amend the existing contract with CBRE Managed Services Inc., on a sole source basis to increase the total contract sum for continued provision of facilities management services at Martin Luther King-Jacquelin Avant Children and Family Center (MLK-JAC).	
<b>PROGRAM</b>	Facilities Management Services	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why: Given their knowledge and experience of CBRE, DMH has determined that it is in the best economic interest of the County to maintain this relationship, add funding to the existing contract, and exercise the option to extend the contract term as necessary.	
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable Submitted on 4/2/25	
<b>DEADLINES/ TIME CONSTRAINTS</b>	5/13/2025	
<b>COST &amp; FUNDING</b>	Total cost: \$2,607,400	Funding source: Department of Mental Health's Operating Revenues and Intra-fund Transfers from Department of Health Services, Department of Children and Family Services and Department of Public Health. TERMS (if applicable): Fiscal Years (FY) 2024-25 through FY 2027-28 Explanation: \$2,607,400 breaks down as follows: \$237,700 for FY 2024-25, \$237,700 for FY 2025-26, \$1,066,000 for FY 2026-27, and \$1,066,000 for FY 2027-28.
<b>PURPOSE OF REQUEST</b>	Approval of this Board Letter will allow DMH to add funds to CBRE's existing contract for continuous provision of facility management services at MLK-JAC.	
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	After completing the solicitation process, on September 12, 2023, the Board authorized the Director of DMH to execute CBRE Contract No. MH540002 for the provision of FMS at MLK-JAC. DMH is seeking the Board's approval to amend this Contract to increase the Total Contract Sum as it has reached its previously approved 10 percent delegated authority for the current contract year.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain how: Effectively Support, The building houses various programs that are heavily utilized by the community. The ALMA group caters to children and adults with special needs who can benefit both physically and psychologically by using the facilities like the Aquatics Center. By having the building operator who provides a comprehensive building maintenance plan we can ensure that these types of facilities are always available to the community.	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how: Priority 7- Sustainability, Having a building maintenance operator ensures that the building mechanicals are routinely checked and maintained for optimal performance. This maximized life expectancy of the building and the mechanicals so the facility can be used by generations in the community.	
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email: Kimberly Nall, Administrative Deputy, (213) 947-6347, <a href="mailto:knall@dmh.lacounty.gov">knall@dmh.lacounty.gov</a> Rachel Kleinberg, Senior Deputy County Counsel, (213) 787-2442, <a href="mailto:rkleinberg@counsel.lacounty.gov">rkleinberg@counsel.lacounty.gov</a>	



# DEPARTMENT OF MENTAL HEALTH

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LISA H. WONG, Psy.D.  
Director

Curley L. Bonds, M.D.  
Chief Medical Officer

Rimmi Hundal, M.A.  
Chief Deputy Director

May 13, 2025

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

Dear Supervisors:

**APPROVAL TO AMEND THE EXISTING FACILITIES MANAGEMENT SERVICES  
CONTRACT WITH CBRE MANAGED SERVICES, INC., TO INCREASE THE TOTAL  
CONTRACT SUM FOR THE CONTINUOUS PROVISION OF FACILITIES  
MANAGEMENT SERVICES AT MARTIN LUTHER KING-JACQUELINE AVANT  
CHILDREN AND FAMILY CENTER ON A SOLE SOURCE BASIS  
(SUPERVISORIAL DISTRICT 2)  
(3 VOTES)**

**SUBJECT**

Request approval to amend the existing contract with CBRE Managed Services, Inc., on a sole source basis to increase the total contract sum for continued provision of facilities management services at Martin Luther King-Jacquelin Avant Children and Family Center.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and authorize the Director of Mental Health (Director), or designee, to prepare, sign, and execute an amendment substantially similar to Attachment I to existing facilities management services (FMS) contract with CBRE Managed Services Inc. (CBRE), at Martin Luther King-Jacqueline Avant Children and Family Center (MLK-JAC) to increase the Total Contract Sum (TCS) for the current term, which allows for two one-year optional extension periods through June 30, 2028. The TCS will increase by \$2,607,400 from \$2,221,600 to \$4,829,000, fully funded by State and federal revenues as well Intrafund Transfers (IFT) from the Department of Health Services (DHS), the Department of Children and Family Services (DCFS), and the



Department of Public Health (DPH). Annual allocations are identified in Attachment II. The amendment will be effective upon Board approval.

2. Delegate authority to the Director, or designee, to prepare, sign, and execute future amendments to the contract in Recommendation 1 to revise the TCS; shift unspent funds to future years; revise the language; add, delete, modify, replace the Statement of Work; and/or reflect federal, State, and County regulatory and/or policy changes provided that: 1) any increase will not exceed 10 percent of the Board-approved TCS indicated in Recommendation 1; and 2) sufficient funds are available. These amendments will be subject to prior review and approval as to form by County Counsel, with written notice to the Board and the Chief Executive Office (CEO).
3. Delegate authority to the Director, or designee, to terminate the contract described in Recommendation 1 in accordance with the termination provisions of the contract, including Termination for Convenience. The Director, or designee, will provide written notification to your Board and CEO of such termination action.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

DMH is requesting Board approval to amend the existing FMS contract with CBRE as they are providing professional facility management services at MLK-JAC and diligently complying with contract requirements. Consequently, DMH finds CBRE to be an effective partner that provides excellent customer service on a daily basis.

Board approval of Recommendation 1 will allow DMH to amend the existing CBRE contract at MLK-JAC, to increase the TCS for the continued provision of FMS as the contract has reached its previously Board-approved delegated authority for the existing term of the contract and support funding the contract for the optional extension period, through June 30, 2028.

Board approval of Recommendation 2 will allow DMH to amend the contract in Recommendation 1 to reflect other necessary changes in a timely manner for the continued provision of FMS without interruption in these services.

Board approval of Recommendation 3 will allow DMH to terminate the contract in Recommendation 1 in accordance with the contract's termination provisions, including Termination for Convenience, in a timely manner, as necessary.

### **Implementation of Strategic Plan Goals**

The recommended actions are consistent with the County's Strategic Plan North Star 3.- Realize Tomorrow's Government Today, specifically Focus Area Goal D.- Streamlined and Equitable Contracting and Procurement and Focus Area Goal E.- Data Driven Decision Making.

### **FISCAL IMPACT/FINANCING**

The total increase for CBRE MLK-JAC contract is \$2,607,400, fully funded by State and federal revenues as well as IFT from DHS, DCFS, and DPH. Of this amount, \$237,700 is for Fiscal Year (FY) 2024-25; \$237,700 for FY 2025-26; \$1,066,000 for FY 2026-27; and \$1,066,000 for FY 2027-28.

Sufficient appropriation is included in DMH's FY 2024-25 Budget.

Funding for future fiscal years will be requested through DMH's annual budget request process.

There is no net County cost impact associated with the recommended action.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Based on the results of a competitive solicitation, the Board authorized the Director of Mental Health to execute Contract No. MH540002 with CBRE for the provision of FMS at MLK-JAC on September 12, 2023. DMH is seeking the Board's approval to amend this contract to increase the TCS as it has reached its previously approved 10 percent delegated authority for the current contract year.

DMH has determined CBRE to be a professional partner in managing the MLK-JAC facility. They have extensive knowledge of the facility and provide preventive maintenance daily. Given their knowledge and experience, DMH has determined that it is in the best economic interest of the County to maintain this relationship, add funding to the existing contract, and exercise the option to extend the contract term as necessary.

In accordance with Board Policy No. 5.100 (Sole Source Contracts and Amendments), on November 21, 2024, DMH notified the Board of its intent to increase the TCS for the CBRE Contract in Recommendation 1 for the continued provision of FMS (Attachment III). No objections were received from the Board offices. Attachment IV is the required CEO approved Sole Source Checklist for this contract.

The amendment (Attachments I) has been approved as to form by County Counsel.

The Honorable Board of Supervisors  
May 13, 2025  
Page 4

As mandated by your Board, the performance of all contractors is evaluated by DMH on an annual basis to ensure compliance with all contract terms and performance standards.

**IMPACT ON CURRENT SERVICES OR PROJECTS**

Board approval of the recommended actions will allow CBRE to provide ongoing professional facilities management services at MLK-JAC and allow DMH to make revisions/updates to the work provided by the contractors in a timely manner.

Respectfully submitted,

Lisa H. Wong, Psy.D.  
Director

LHW:RH:KN:SK:CM:atm

Attachments (4)

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

CONTRACT NO. MH540002

AMENDMENT NO. 3

THIS AMENDMENT is made and entered into this 13<sup>th</sup> day of May 2025, by and between the COUNTY OF LOS ANGELES (hereafter "County") and CBRE Managed Services, Inc. (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "Contract by and between County of Los Angeles Department of Mental Health and CBRE Managed Services, Inc. for Facilities Management Services", dated November 3, 2023, and further identified as County Contract No. MH540002, and any amendments thereto (hereafter collectively "Contract"); and

WHEREAS, on May 13, 2025, the County Board of Supervisors delegated authority to the Department of Mental Health Director, or designee, to execute an amendment to the Contract, to extend the contract term and revise Total Contract Sum (TCS), and make other designated changes; and

WHEREAS, said Contract provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties; and

WHEREAS, County and Contractor intend to amend the Contract only as described hereunder; and

WHEREAS, as the result of the changes, the contract term will extend from three to five years and the TCS will increase for the remainder of the term; and

WHEREAS, Contractor warrants that it continues to possess the competence, expertise, and personnel necessary to provide services consistent with the requirements of the Contract, and consistent with the professional standard of care for these services.

NOW, THEREFORE, County and Contractor agree as follows:

1. This amendment is effective upon execution.
2. The term of the contract is extended by two fiscal years and will continue in full force through June 30, 2028.
3. Paragraph 4 (Term of Contract) of the contract is deleted in its entirety and replaced with the following:

**“4. TERM OF CONTRACT**

- 4.1 The term of this Contract shall commence upon execution and shall continue in full force and effect through June 30, 2028, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
  - 4.2 The County maintains databases that track/monitor 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 Contractor must notify the Department of Mental Health (DMH) 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 DMH at the address herein provided in Exhibit D-1 (County’s Administration).”
4. The TCS is increased by \$2,607,400, from \$2,221,600 to \$4,829,000. For Fiscal Year (FY) 2024-25 the contract sum is increased by \$237,700 from \$828,300 to \$1,066,000, and for FY 2025-26 the contract sum is increased by \$237,700 from \$828,300 to \$1,066,000. \$1,066,000 is allocated to each fiscal year thereafter, FY 2026-27 and FY 2027-28.

5. Paragraph 5.1 (Total Contract Sum) of the contract is deleted in its entirety and replaced with the following:

**“5.1 Total Contract Sum**

The Total Contract Sum is \$4,829,000. Funding for Facilities Management services is described in Exhibit B-3– Pricing Schedule and shall remain stable and fixed for the term of the Contract including any optional extension periods, unless a written Contract amendment is approved by the County and executed by County and Contractor.

5.1.1 The Department may increase the total contract amount by up to 10%, as approved by the Board. The County does not warranty 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 warranty or represent that it will authorize the selected contractor(s) to perform any work or services of any monetary amount.”

6. Exhibit B-1 (Pricing Schedule) is deleted at its entirety and replaced with Exhibit B-3, attached hereto and incorporated herein by reference.
7. Except as provided in this amendment, all other terms and conditions of the Contract will remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this amendment to be subscribed by County's Director of Mental Health or designee, and Contractor has caused this amendment to be subscribed on its behalf by its duly authorized officer, on the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
LISA H. WONG, Psy.D.  
Director of Mental Health

CBRE MANAGED SERVICES, INC.  
CONTRACTOR

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:  
OFFICE OF THE COUNTY COUNSEL

By: Rachel Kleinberg  
Senior Deputy County Counsel

## FACILITIES MANAGEMENT SERVICES PRICING SCHEDULE

### 1. **TOTAL CONTRACT AMOUNT**

The Department of Mental Health (DMH) shall pay **CBRE Managed Services, Inc.** for facilities management services (per Exhibit A-Statement of Work) rendered at the **Jacqueline Avant Children and Family Center located at 1741 E. 120th Street, Los Angeles, California 90059**. The Total compensation for all services rendered shall not exceed the total contract award amounts noted below:

YEAR	MAXIMUM AMOUNT
Year One: Contract execution through June 30, 2024	\$565,000
Year Two: July 1, 2024 – June 30, 2025	\$1,066,000
Year Three: July 1, 2025 – June 30, 2026	\$1,066,000
Year Four: July 1, 2026 – June 30, 2027	\$1,066,000
Year Five: July 1, 2027 – June 30, 2028	\$1,066,000

### 2. **INVOICE SCHEDULE**

Contractor shall submit complete and accurate monthly invoices to the County's Monitoring Manager. The invoices shall include supplemental documentation. Each invoice submitted for payment shall include the following information in the header of the invoice: agency name, address, phone number, vendor number, contract number, date along with the name, number, and email address of person to contact for questions. DMH designated staff will review the invoices and supplemental documentation to ensure all the necessary elements for tracking purposes have been included.

### 3. **PAYMENT PROCEDURES**

Payment to **CBRE Managed Services, Inc.** for facilities management services rendered shall be based on monthly invoices from **CBRE Managed Services, Inc.** to DMH. No payment shall be made without prior approval of the designated County's Monitoring Manager. The County's Monitoring Manager shall review the invoice and supplemental documents to determine whether **CBRE Managed Services, Inc.** is in substantial compliance with the terms and conditions of this contract. Contractor shall be paid for facilities management services based on complete and accurate monthly invoices. Payment will be based only on the Exhibit A–Statement of Work.

Contractor shall retain all relevant supporting documents and make them available to DMH at any time for audit purposes. Invoices submitted to DMH shall detail all monthly



charges billed to DMH. Upon receipt of invoices from Contractor, DMH shall make payment to Contractor within 30 days of the date the invoice was received. If any portion of the invoice is disputed by DMH, DMH shall reimburse Contractor for the undisputed services contained in the invoice and work diligently with the Contractor to resolve the disputed portion of the claim in a timely manner. DMH shall make reimbursements payable to Contractor via electronic payment as identified in Section 5.7–Default Method of Payment: Direct Deposit or Electronic Funds Transfer of the contract.

**4. DESIGNATED LAC-DMH CONTACT PERSON**

All questions and correspondence should be directed to the County Monitoring Manager indicated in Exhibit D-1–County’s Administration via electronic mail.

**CBRE Contract # MH540002**

Martin Luther King - Jacqueline Avant Children and Family Center

Contract Year	Current Contract Sum	Increase	Revised Contract Sum
Fiscal Year 2023-24	\$ 565,000		\$ 565,000
Fiscal Year 2024-25	\$ 828,300	\$ 237,700	\$ 1,066,000
Fiscal Year 2025-26	\$ 828,300	\$ 237,700	\$ 1,066,000
Fiscal Year 2026-27	\$ -	\$ 1,066,000	\$ 1,066,000
Fiscal Year 2027-28	\$ -	\$ 1,066,000	\$ 1,066,000
<b>Total</b>	<b>\$ 2,221,600</b>	<b>\$ 2,607,400</b>	<b>\$ 4,829,000</b>



## DEPARTMENT OF MENTAL HEALTH

hope. recovery. wellbeing.

LISA H. WONG, Psy.D.  
Director

Curley L. Bonds, M.D.  
Chief Medical Officer

Rimmi Hundal, M.A.  
Chief Deputy Director

November 21, 2024

TO: Supervisor Lindsey P. Horvath, Chair  
Supervisor Hilda L. Solis  
Supervisor Holly J. Mitchell  
Supervisor Janice Hahn  
Supervisor Kathryn Barger

FROM: Lisa H. Wong, Psy.D.  
Director

SUBJECT: **NOTICE OF INTENT TO INCREASE THE TOTAL CONTRACT SUM FOR TWO EXISTING CBRE MANAGED SERVICES, INC., CONTRACTS FOR THE CONTINUED PROVISION OF FACILITIES MANAGEMENT SERVICES AT THE MARTIN LUTHER KING-BEHAVIORAL HEALTH CENTER AND MARTIN LUTHER KING-JACQUELINE AVANT CHILDREN AND FAMILY CENTER, ON A SOLE SOURCE BASIS**

In accordance with the Los Angeles County Board of Supervisors' (Board) Policy No. 5.100 (Sole Source Contracts and Amendments), the Department of Mental Health (DMH) is notifying your Board of our Department's intent to increase the Total Contract Sum (TCS) and exercise options under the contract to extend the term of two CBRE Managed Services, Inc., (CBRE) contracts, Martin Luther King (MLK)-Behavioral Health Center (BHC), contract number MH540001, and MLK-Jacqueline Avant Children and Family Center (JAC), contract number MH540002, on a sole source basis.

Specifically, DMH will request that your Board approve two sole source contract amendments as the contracts have reached their 10% delegated authority: 1) Amendment to CBRE contract number MH540001 will exercise the option to extend the term through December 31, 2026, and increase the TCS by \$7,643,177. Contract year allocations are as follows: \$1,865,287 for 2025 and \$5,777,890 for 2026. The total increase is fully funded by 2011 Realignment, and intrafund transfers from the Department of Health Services (DHS), the Department of Public Health (DPH), and the Department of Aging and Disabilities. 2) Amendment to CBRE contract number MH540002 will exercise the options to extend the contract through June 30, 2028, and to increase the TCS by \$2,607,400. The fiscal year allocations are as follows: \$237,700 for Fiscal Year (FY) 2024-25; \$237,700 for FY 2025-26; \$1,066,000 for FY 2026-27; and

\$1,066,000 for FY 2027-28. The total increase is fully funded by 2011 Realignment, and intrafund transfers from DHS, DPH, and Department of Children and Family Services.

### **JUSTIFICATION**

Under existing contracts, CBRE is providing professional facility management services (FMS) at MLK-BHC and MLK-JAC, and diligently complying with both contracts' requirements, consequently, DMH finds CBRE to be an effective partner that provides excellent customer service on a daily basis. CBRE has been managing the facilities prior to DMH opening the doors to provide mental health services to clients and have an unparalleled knowledge of the building and the various mechanics. It would take years for a new building manager to learn the buildings' daily problems and be able to provide preventive maintenance on a daily schedule. This knowledge comes from managing the building for several years and developing a routine and understanding of the facility. This facility has had major flooding, and Fire Life Safety issues that were handled expediently by CBRE that minimized the effect it had on clients and staff. Thus, DMH intends to exercise the previously Board-approved optional extensions for both contracts as this is the most cost-effective and efficient way to maintain these FMS without interruption. Extending the contracts through the optional extensions and increasing the TCAs correspondingly, allows DMH to address maintenance and unanticipated FMS timely.

### **NOTIFICATION TIMELINE**

Pursuant to Board Policy No. 5.100, DMH is required to notify the Board at least six months prior to the expiration of an existing contract to amend the contracts when departments do not have delegated authority to execute such amendment. If requested by a Board Office or the Chief Executive Office, DMH will place this item on the Health and Mental Health Services Cluster Agenda.

Unless otherwise instructed by the Board Office within four weeks of this notice, DMH will present the Board a letter for approval to amend CBRE contract number MH540001 and MH540002 to extend the initial term and to increase the TCS.

If you have any questions, or require additional information, please contact me at [LWong@dmh.lacounty.gov](mailto:LWong@dmh.lacounty.gov) or (213) 947-6670, or your staff may contact Stella Krikorian, Division Manager, Contracts Development and Administration Division, at [SKrikorian@dmh.lacounty.gov](mailto:SKrikorian@dmh.lacounty.gov) or (213) 943-9146.

LHW:RH:KN  
SK:CM:atm

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

## SOLE SOURCE CHECKLIST

Department Name: \_\_\_\_\_

- ☐ New Sole Source Contract
- ☐ Sole Source Amendment to Existing Contract

Date Existing Contract First Approved: \_\_\_\_\_

Check (✓)	<b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS AND AMENDMENTS</b> Identify applicable justification and provide documentation for each checked item.
	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. A monopoly is an <i>“Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist.”</i>
	➤ Compliance with applicable statutory and/or regulatory provisions.
	➤ Compliance with State and/or federal programmatic requirements.
	➤ Services provided by other public or County-related entities.
	➤ Services are needed to address an emergent or related time-sensitive need.
	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
	➤ Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract which has no available option periods.
	➤ Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available option periods.
	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best economic interest of the County (e.g., significant costs and time to replace an existing system or infrastructure, administrative cost and time savings and excessive learning curve for a new service provider, etc.). In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.

\_\_\_\_\_  
Chief Executive Office

\_\_\_\_\_  
Date

MOTION BY SUPERVISOR KATHRYN BARGER

MAY 6, 2025

**STREAMLINING LOS ANGELES COUNTY MENTAL HEALTH AND SUBSTANCE  
USE DISORDER BED REPORTING**

Since 2022, there have been a series of board motions for mental health (MH) and substance use disorder (SUD) treatment beds to address the need across the County. The P3/P4 motion titled: “Moving Forward: Expansion of Secure Mental Health Beds and Development of Secure Mental Health Facilities to Depopulate the Los Angeles County Jails (Item No. 24, Agenda of April 4, 2023)” started with Board of Supervisor’s (Board) [September 2022 motion](#) to address the complex mental health needs of P3/P4 classified individuals in an effort to promote the depopulation of Men’s Central Jail and promote a Care First Jails Last approach. The Department of Health Services (DHS) and the Department of Mental Health (DMH) responded to the board motion in [March 2023](#). DMH and DHS put forth a plan to serve P3/P4 classified individuals, in four population categories, through diversion and community-based restoration and community-based non-carceral treatment facilities with a plan to expand acute and subacute mental health beds in the community by 500 beds over five years.

On [April 4, 2023](#), the Board directed DMH and DHS to move forward with the Jail Depopulation Program (Program) to develop an initial 500 secure mental health care beds to care for P3/P4 individuals currently in the jails, including but not limited to, developing secure beds for Lanterman-Petris-Short (LPS) conserved/conservable, Felony Incompetent to Stand Trial (FIST), non-LPS conserved/conservable, and the non-traditionally divertible populations, with the goal of using these beds for individuals incarcerated with a P3/P4 mental illness classification.

Simultaneously, to support the incompetent to stand trial (IST) population, on September 27, 2022, the Board passed a motion entitled, “[Swiftly Creating More Beds for Persons Mentally Incompetent to Stand Trial with Newly Available State Funding](#),” directing DHS and DMH to create a plan to immediately expend \$50,000,000 Misdemeanor Incompetent to Stand Trial (MIST) Funding in a manner that maximizes opportunities to safely house, treat, and serve MIST individuals.

-MORE-

**MOTION**

SOLIS	_____
MITCHELL	_____
HORVATH	_____
HAHN	_____
BARGER	_____

On November 18, 2022, in response to the previously mentioned motion, DHS and DMH released their jointly developed report and plan entitled, "[Swiftly Creating More Beds for Persons Mentally Incompetent to Stand Trial with Newly Available State Funding](#)," to both expand the number of beds for persons who are deemed MIST and to supplement existing treatment and housing services.

Subsequent questions arose as to whether the November 18, 2022, proposed MIST Plan fully met the technical requirements of Assembly Bill (AB) 178, and how it impacted the remaining \$50,000,000 non-MIST portion of the funds (Non-MIST Funding). Finally, in February 7, 2023, the Board approved a revised substitute motion, "[Acting to Expand Services for Misdemeanor Incompetent to Stand Trial Population](#)," directing DMH and DHS to take steps to be ready to implement relief for the MIST population through a number of directives. These directives included, but were not limited to, DMH accepting Assembly Bill (AB) 178 funds; and County Counsel in coordination with the Chief Executive Office, DMH, DHS, and other relevant parties listed therein to review AB 178, seek State guidance, and ensure plans developed in response to the September 27, 2022, motion complies with the provisions of AB 178.

Also in 2022, the State launched the Behavioral Health Continuum Infrastructure (BHCIP) grants, making billions of dollars of funding available for MH and SUD treatment capacity to counties and CBOs across the State. To prioritize the County BHCIP strategy and target investments, DMH used it's Round 2 Planning Grant dollars to contract with HMA to create a Mental Health Resources Planning tool, highlighting the highest needs for investments within LA County for mental health beds.

To further this work, in January 2023, the Board directed DMH to continue the work with the consultant to evaluate the current and forecasted bed capacity needs of the County and build a roadmap on how to fund and sustain these beds. On February 15, 2024, in fulfillment of the Board directives, DMH delivered a comprehensive roadmap in concert with Health Management Associates, and the Board further directed DMH to implement all the recommendations within the report. This new report back, "*Implementing the Mental Health Resources Report*," now supersedes the previous reporting cycle and directives.

Alongside the P3/P4, IST bed, and BHCIP efforts, the Board also established the regular Set Matter reports on May 2023 to discuss the broad look at MH and SUD treatment beds. Initially, this Set Matter was restricted to the Health Departments. In February 2024, the Board instructed DMH to incorporate CEO Homeless Initiative and JCOD as a part of the continuum and include outcomes associated with the levels of care. In December 2024, the Chair redirected DMH and DPH to restrict the reporting to the two departments, focusing on MH and SUD treatment beds plus an overview of Bond BHCIP Round 1.

-MORE-

Page: 3

To ensure a comprehensive and full view of the treatment beds within LA County, it is necessary to consolidate and clarify the reporting from all reports listed above and those that are not listed but related.

**I, THEREFORE, MOVE** that the Board of Supervisors direct **the Department of Mental Health to work with the Departments of** Public Health, Health Services and any other impacted departments to:

1. Consolidate the mental health and substance use disorder treatment bed reports into one new streamlined and coordinated MH and SUD Treatment Bed Report;
2. Submit to the Board bi-annually in writing, and
3. Discontinue the Bed Set Matter quarterly reports and incorporate updates on the Continuum of Care for mental health and substance use disorders beds within the MH and SUD Treatment Bed Report.

# # #

KB:tcs



AGN. NO. \_\_\_\_\_

MOTION BY SUPERVISOR KATHRYN BARGER

MAY 6, 2025

**STREAMLINING LOS ANGELES COUNTY MENTAL HEALTH AND SUBSTANCE  
USE DISORDER BED REPORTING**

**EXEMPTION FROM CLUSTERS:** (Please check

☐ if the motion is exempt from the cluster process  
and the reason for exemption)

☐ See Rules of the Board, Section 22.2(f)

**REASON FOR EXEMPTION:**

- ☐ 1. Emergency, as provided by the Brown Act
- ☐ 2. Urgency, as provided by the Brown Act
- ☐ 3. Request to appear remotely under the  
emergency circumstances, as provided by  
the Brown Act
- ☐ 4. Declaration and ratifications of emergency  
and all recovery and related actions
- ☐ 5. Fee waivers
- ☐ 6. Reward motions
- ☐ 7. Proclamations without substantive policy  
directives
- ☐ 8. Adjournments in a deceased person's  
memory
- ☐ 9. Presentation of scrolls

**CLUSTERS:** (Please check ☒ which cluster meeting  
the motion will be introduced)

- ☐ 1. Operations
- ☐ 2. Community Services
- ☐ 3. Family and Social Services
- ☒ 4. Health and Mental Health Services
- ☐ 5. Public Safety

**CLUSTER MEETING DATE:**

April 9, 2025

**BOARD MEETING DATE:**

May 6, 2025

AGN. NO.

MOTION BY SUPERVISOR KATHRYN BARGER

MAY 6, 2025

**STREAMLINING LOS ANGELES COUNTY MENTAL HEALTH AND SUBSTANCE  
USE DISORDER BED REPORTING**

**VOTES REQUIRED:**

☐ 3-VOTES   ☐ 4-VOTES   ☐ 5-VOTES

**CATEGORIES:** (Please check ☒ those that apply)

- ☐ 1. Child Welfare
- ☐ 2. Community and Youth Empowerment
- ☐ 3. County and Municipal Services
- ☐ 4. Economic Justice
- ☐ 5. Economic and Workforce Development
- ☐ 6. Education
- ☐ 7. Environment and Environmental Justice
- ☐ 8. Fiscal
- ☐ 9. Governance
- ☒ 10. Health
- ☐ 11. Homelessness and Housing
- ☐ 12. Immigration
- ☐ 13. Public Safety and Diversion
- ☐ 14. Social Justice and Human Rights
- ☐ 15. Technology and Data
- ☐ 16. Arts, Culture, and the Creative Economy
- ☐ 17. Legislation
- ☐ 18. Parks and Open Space
- ☐ 19. Planning/Land Use
- ☐ 20. Transportation
- ☐ 21. Veterans
- ☐ 22. Delegated Authority

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	4/16/2025		
<b>BOARD MEETING DATE</b>	5/20/2025		
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input type="checkbox"/> All <input checked="" type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>		
<b>DEPARTMENT(S)</b>	Health Services		
<b>SUBJECT</b>	Approval of a successor Medical School Affiliation Agreement with the University of Southern California (USC) for the provision and funding of Clinical Purchased Services and funding and allocation of Graduate Medical Education costs at Los Angeles General Medical Center and other participating Count health care facilities.		
<b>PROGRAM</b>	Los Angeles General Medical Center		
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why:		
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable  <b>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.</b>		
<b>DEADLINES/ TIME CONSTRAINTS</b>	Existing agreement is set to expire on June 30, 2025		
<b>COST &amp; FUNDING</b>	Total cost: \$52.908 million	Funding source: Funding is included in the DHS Fiscal Year 2025-26 Final Budget. Continued funding will be requested in future fiscal years. There is no net County cost impact associated with the recommended actions.	
	TERMS (if applicable): The annual contract maximum amount of \$52,908 million is effective July 1, 2025, and will continue unless either party serves a written notice of termination with at least 24 months' notice.		
	Explanation:		
<b>PURPOSE OF REQUEST</b>	The current Agreement is set to expire June 30, 2025. Due to the historic and longstanding relationship between the County and USC with respect to establishing accredited medical programs and specialty medical services at LA General, DHS has determined that it is in the best interest of the County to enter into a successor Agreement with USC for the continued provision of Clinical Purchased services and Graduate Medical Education (GME). DHS does not have the budgetary means to hire fulltime County physicians and employees to perform the hard-to-recruit specialized physician services and non-physician services provided under the current Agreement. Approval of the successor Agreement will also establish new billing and cost sharing terms for GME training costs which will result in a net County revenue of \$9.127 million dollars annually.		
<b>BACKGROUND (include internal/external issues that may exist)</b>			

including any related motions)	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain how:  8. Act urgently and boldly to achieve tangible results. The successor Agreement with the University will allow DHS to continue to provide costly as-needed specialized care to the County's Medi-Cal and uninsured patient population.
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how:  Priority 1 Homeless Initiative. Homeless populations make up a large part of the Medi-Cal and uninsured patient population served by DHS. Partnering with the University for the provision of costly specialized care will allow DHS to continue to provide services to these populations.
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email:  Dr. Brad Spellberg, LA General Medical Director, 323-409-6734 <a href="mailto:bspellberg@dhs.lacounty.gov">bspellberg@dhs.lacounty.gov</a> Julio Alvarado, Director, DHS Contracts and Grants, 213-788-7819, <a href="mailto:jalvarado@dhs.lacounty.gov">jalvarado@dhs.lacounty.gov</a> Beatriz Mejia, Section Manager, DHS Contracts and Grants, 213-788-7817, <a href="mailto:bmejia4@dhs.lacounty.gov">bmejia4@dhs.lacounty.gov</a> Brandi Moore, Senior Deputy County Counsel, 213-787-2433, <a href="mailto:bmoore@counsel.lacounty.gov">bmoore@counsel.lacounty.gov</a> Natasha Mosley, Deputy County Counsel, 213-808-8719, <a href="mailto:nmosley@counsel.lacounty.gov">nmosley@counsel.lacounty.gov</a>

May 20, 2025

**DRAFT**

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

Dear Supervisors:

**APPROVAL OF A SUCCESSOR MEDICAL SCHOOL AFFILIATION AGREEMENT  
WITH THE UNIVERSITY OF SOUTHERN CALIFORNIA  
(FIRST DISTRICT) (3 VOTES)**

**SUBJECT**

Approval of a successor Medical School Affiliation Agreement with the University of Southern California for the provision and funding of Clinical Purchased Services and funding and allocation of Graduate Medical Education costs at Los Angeles General Medical Center and other participating Los Angeles County (LA County) health care facilities.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Make a finding pursuant to LA County Code Section 2.121.420 that contracting for physician services, as described herein, can be performed more feasibly by an independent contractor and that contracting for hard to recruit non physician positions, as described herein, is cost-effective.
2. Approve and instruct the Chair, or designee, to sign the attached successor Medical School Affiliation Agreement (MSAA) with the University of Southern California (University), attached hereto as Exhibit I, to: (a) continue provision of Clinical Purchased Services (CPS) at Los Angeles General Medical Center (LA General) and other participating LA County health care facilities at an annual contract maximum amount of \$52.908 million, effective July 1, 2025, and shall continue thereafter, unless and until terminated by either Party as set forth under the MSAA's termination provisions; and (b) continue the provision of Graduate Medical Education (GME) services under a cost-sharing arrangement with the University, resulting in annual LA County revenue amount of \$9.127 million, effective July 1, 2024.
3. Delegate authority to the Director of Health Services (Director), or designee, to make a finding pursuant to LA County Code Section 2.121.420, as appropriate, that contracting for physician services can be performed more feasibly, and that

contracting for non-physician health care services, in particular, difficult to recruit positions, is cost-effective, prior to executing amendments under delegated authority described below that add additional physicians or non-physician staff, respectively, subject to review and approval by County Counsel.

4. Delegate authority to the Director, or designee, to execute amendments to the MSAA to: (a) adjust services and funding thereof for CPS and GME, not to exceed ten percent (10%) annually of the combined total of the initial annual contract maximum amount of each service respectively, separate from any Cost of Living Adjustment (COLA); and (b) approve a COLA increase, no more than one per contract year, provided that such adjustment is consistent with the Board of Supervisors (Board) policy and related MSAA terms, subject to review and approval by County Counsel, with notice to the Board and Chief Executive Office (CEO).
5. Delegate authority to the Director, or designee, to execute amendments to the MSAA to: (a) add, delete, and/or change certain terms and conditions as required under Federal or State law or regulation, LA County/CEO policy, and accreditation standards; (b) revise contract language to improve or update clinical, training, or administrative operations within the MSAA's scope of services; with no increase to the annual contract maximum amount; and (c) terminate the Agreement as set forth in the MSAA's termination provisions, subject to review and approval by County Counsel, with notice to the Board and CEO.

#### **PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTION**

##### **Purpose**

LA General provides a comprehensive and wide range of primary and specialty medical and ancillary care in outpatient and inpatient settings at its state-of-the-art facility in Los Angeles. As one of the largest public hospitals and medical training centers in the United States, LA General also provides emergency, trauma, and urgent medical care, including psychiatric, dental, and pharmaceutical services for LA County's Medi-Cal and uninsured patient populations.

Since 1987, LA County has contracted with the University to provide a majority of clinical services and physician medical education at LA General, and subsequently re-negotiated and replaced the initial agreement three times thereafter. Since the current MSAA's execution in 2019 (hereinafter "2019 MSAA"), and recent efforts by the Department of Health Services (DHS) to provide services using LA County-employed physicians, the initial annual contract maximum amount has been reduced from \$170 million to \$52.908 million dollars, whereby LA County has recruited and employed full-time physicians to provide the majority of clinical care for LA General's largest medical department, while

University provides specific other services, such as those for which recruiting full time LA County employees is difficult or not cost-effective, including costlier and hard-to-recruit subspecialty physician and non-physician services.

On March 15, 2023, DHS and LA General leadership met with the University, and mutually agreed to re-negotiate potential changes to the 2019 MSAA. The purpose of the meeting was to discuss the University's concern of incurring significant financial losses due to the unprecedented increase in health care costs after the pandemic, and conversely LA County's concern that the majority of physicians at LA General should be full-time based at LA General rather than a minority of time at the LA County hospital and the majority of their time at the private University health system. However, on March 29, 2023, USC provided DHS with a notice of termination of the 2019 MSAA, effective June 30, 2024, unless the parties negotiated and executed a successor agreement prior to the termination date. As a condition of DHS agreeing to discuss negotiation of a new agreement, the University subsequently agreed to extend the termination date to June 30, 2025.

On June 6, 2023, the Board approved an additional 367 positions to enable the recruitment and hiring of LA County-employed physicians and non-physicians at LA General to continue current operations in the event that the MSAA was terminated. LA General subsequently recruited and hired 272 personnel as of March 10, 2025 to continue to meet its patient care obligations without disruption of hospital operations, and amended the current agreement accordingly. The parties recently re-negotiated the successor MSAA that is now before the Board for its approval.

#### Justification

Approval of the first recommendation is necessary to comply with LA County Section 2.121.420, as amended on November 21, 2006, whereby contracting for services is allowed upon a Board determination that the use of independent contractors is more feasible than the use of LA County employees for physician services and is more economical for non-physician services. DHS' evaluation concludes that the Agreement's physician services for high-cost subspecialty care are more feasible than the use of LA County employees, and therefore, recommends the Board's determination accordingly. DHS has also determined that the use of all remaining non-physician services is not subject to Proposition A requirements as the contracted services are more cost-effective or difficult to recruit due to competing higher salaries offered in the private sector.

Approval of the second recommendation will allow the Chair, or designee, to: execute a successor MSAA, substantially similar to Exhibit I, to (a) replace the 2019 MSAA for CPS and (b) establish new billing and cost sharing terms for GME training costs with the University under a single agreement. Due to the ongoing negotiations to replace the

current MSAA and revise the GME payment methodology, both parties agreed to stop billing the other party for resident/fellow rotations under separate Affiliation Agreements for Physicians in Postgraduate Training between the University and LA County, effective July 1, 2024.

Approval of the third recommendation will ensure that the addition of physicians or non-physicians in future amendments complies with the provisions set forth in LA County Code Section 2.121.420 and related terms of the successor MSAA.

Approval of the fourth recommendation will permit the Director, or designee, in exercising its delegated authority to: (a) adjust the level and funding of CPS based on clinical and operational needs, and adjust the level and cost-sharing aggregate funding amounts of GME based on training needs. Such adjustment(s) are cumulative, and shall not exceed ten percent (10%) annually of the combined total of the initial CPS and GME annual contract maximum amounts, separate from any COLA, on an as-needed basis to provide LA General with more flexibility to respond to the changing health care needs of its patients; and (b) approve a COLA increase provided that such adjustment is consistent with Board policy and related MSAA terms.

Approval of the fifth recommendation will permit the Director, or designee, to execute future amendments to ensure compliance with applicable law, regulation, LA County policy/requirements and accreditation standards; improve or update contract language related to clinical, educational, and administrative operations with no increase to the annual contract amount; and to terminate the agreement if determined to be in the best interest of LA County.

The recommended successor MSAA:

- (a) focuses on contracted physician services for hard-to-recruit physician specialties and subspecialties in certain medical departments at LA General (e.g. neurosurgery, orthopedic surgery, and emergency medicine) and more cost-effective or hard-to-recruit non-physician services, while LA General utilizes LA County-employed physicians for its largest medical departments (e.g. pediatrics, internal medicine, and family medicine);
- (b) reduces the staffing model to 87 Full Time Equivalents (FTEs) to standardize the workload requirements of utilizing University physicians and non-physicians at a total annual cost of \$52.908 million dollars based on specialty-specific rates for each FTE;
- (c) incorporates the terms for funding and allocation of GME costs and implements an updated cost-sharing arrangement for jointly sponsored training programs under the successor MSAA. Previously, LA County and University billed each other based on individual resident/fellow rotations resulting in considerable LA County cost to



track and bill such rotations. The cost-sharing arrangements will result in a net County revenue of \$9.127 million dollars annually;

(d) improves contractual oversight by additional provisions related to compliance, reporting, dispute resolution, and liquidated damages for non-performance;

(e) significantly overhauls the current agreement to reflect the partnership of LA County and the University within the shared workspace at LA General and other participating LA County health facilities, with both LA County and University staff working as an integrated team; and

(f) provides that the agreement has no termination date unless either party serves a written notice of termination with at least 24 months' notice.

### **Implementation of Strategic Plan Goals**

The recommended actions support North Star 3 “Realize Tomorrow’s Government Today,” and Focus Area Goal E. “Data-Driven Decision Making,” Focus Area Goal F. “Flexible and Efficient Infrastructure,” and Focus Area Goal G. “Internal Controls and Processes,” of LA County’s Strategic Plan.

### **FISCAL IMPACT/FINANCING**

LA County’s annual net maximum obligation amount for all services, including CPS and GME, in Fiscal Year (FY) 2025-26 under the successor MSAA is \$43.781 million. The request to adjust the funding amount will be included in the FY 2025-26 Final Changes Budget Request, and continued funding will be requested in future fiscal years as needed. The amount will be funded within DHS existing resources. There is no net County cost impact associated with the recommended actions.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

County Counsel has advised that the portion of the MSAA related to academic services is not subject to the provisions of LA County Code section 2.121.420. Additionally, the Department has determined that the use of non-physician services are not subject to Proposition A requirements as the services are more cost-effective, or of a part time or intermittent basis, or cannot adequately be performed by an LA County employee to perform such services (as stated in LA County Code 2.121.250) and, therefore, not subject to the Living Wage Program (LA County Code Chapter 2.201). Finally, DHS has determined that the following non-physician contracted positions are more cost-effective: dental residents (2.0 FTEs), pharmacists (6.5 FTEs), psychologists (2.3 FTEs), and a microbiologist (1.2 FTEs), while the genetic counselors (4.0 FTEs) cannot be adequately

performed by an LA County employee since LA County's salary for such position is non-competitive with the private sector.

The recommended agreement includes updated LA County standard provisions as appropriate to the nature of the services provided by the University, with limited non-substantive changes negotiated by the University and LA County.

County Counsel has reviewed and approved Exhibit I as to form.

### **CONTRACTING PROCESS**

Given the nature and scope of the services provided by the University under the MSAA, as well as the historic and longstanding relationship between LA County and University with respect to establishing accredited medical programs and specialty medical services at LA General, DHS determined that it was not feasible to competitively solicit for the services therein.

The recommended successor MSAA includes a COLA provision which is based on the Board Policy 5.070 (e.g., annual increase not to exceed general salary movement granted to LA County employees as of July for the prior twelve (12) month period), but includes additional negotiated terms. The negotiated COLA provision includes a provision that DHS, in making the determination of whether to grant a COLA to University in any given contract year, will consider whether COLA increases have been granted to any other DHS contracts for delivery of services funded by the LA General Hospital Enterprise Fund (e.g., contracts for dental, dietary, housekeeping, landscaping, and nursing and medical personnel registry services) in the same Contract Year, in addition to the criteria set forth in the policy. Additionally, the parties agreed to use best efforts to complete any amendments so that the COLA increase will be effective as of the start date of the applicable contract year.

In addition, the MSAA includes contract language related to the Levine Act, which prohibits certain appointed and elected local officers, including members of the Board, from taking part in a proceeding involving a license, permit, or other entitlement for use (including contracts) under specified conditions.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommendations will enable the continued provision of patient care services and physician medical education at LA General and other participating DHS facilities.

The Honorable Board of Supervisors  
May 20, 2025  
Page 7

Respectfully submitted,

Christina R. Ghaly, M.D.  
Director

CRG:ck

Enclosure

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

AFFILIATION AGREEMENT

By and Between

The University of Southern California

and

The County of Los Angeles

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## **EXHIBITS**

Exhibit 1:	Training Programs
Exhibit 2:	Primary County Facilities
Exhibit 3:	AAMC Uniform Clinical Training Affiliation Agreement
Exhibit 4:	County Physician Participation in University Sponsored Research
Exhibit 5:	Funding and Allocation of GME Costs
Exhibit 6:	Clinical Purchased Services
Exhibit 7:	Physician Time Study
Exhibit 8:	Retention of Records under This Agreement
Exhibit 9:	Contractor's EEO Certification
Exhibit 10:	Los Angeles County Code, Jury Service Program
Exhibit 11:	Contractor Acknowledgement and Confidentiality Agreement
Exhibit 12:	Charitable Contributions Certification
Exhibit 13:	Los Angeles County Board of Supervisors Policy Manual, 5.070 – Multi-Year Service Contract Cost of Living Adjustments
Exhibit 14	Agreements with County of Los Angeles – Standard Cost of Living Adjustments (COLA) Provisions

**AFFILIATION AGREEMENT BY AND BETWEEN  
THE UNIVERSITY OF SOUTHERN CALIFORNIA AND  
THE COUNTY OF LOS ANGELES**

This Agreement is entered into this \_\_\_\_ day of \_\_\_\_\_, 202\_\_, by and between the County of Los Angeles (“County”) and the University of Southern California (“University”).

**STATEMENT OF PURPOSES**

**Mission of the County of Los Angeles Department of Health Services:**

The mission of the County of Los Angeles Department of Health Services (“DHS”) is to advance the health of its patients and communities by providing extraordinary care.

**Mission of the Los Angeles General Medical Center:**

Vision

To lead the nation in building healthy communities.

Mission

To provide world-class care and education for all in our community.

Values

**Responsibility to Community** - We have an obligation to improve the healthcare status of the communities we serve by providing accessible, affordable, and culturally sensitive healthcare. We actively contribute our clinical expertise to provide a valuable service, while gaining community trust.

**Service Excellence** - We work collaboratively with each other, our care and educational partners, other organizations and the community to provide needed education, service, care and treatment.

**Trustworthiness** - We are responsible and prudent stewards of the resources entrusted to us. We are transparent in the work we do and honest, fair and equitable in our decision making.

**Improving the Work Environment** - We focus on recruiting and retaining talented, compassionate and caring people. Los Angeles General Medical Center is a place where people are valued and respected for their diversity, talents, background and unique perspectives.

**Continuous Learning** - We are a teaching hospital promoting continuous learning at all levels, expecting continuous improvement from ourselves and our University partners. We continually strive to improve patient care through active research and exchange of ideas.

**Mission of the University of Southern California:**

Teaching, research and patient care are intertwined missions at University's Health Sciences Schools. Their work is carried out through three cooperative functions that depend upon shared resources:

**Education.** The fundamental core mission of the Schools of Health Sciences is the means for transferring knowledge, especially regarding the treatment of illness, to the next generation of

professionals and furthering their development;

**Biomedical Research.** Which provides a central research focus that allows faculty and students in the Health Sciences Schools the opportunity to participate in the excitement of scientific discovery as an integral part of the teaching process and to test new scientific knowledge; and

**Service.** In which the clinical faculty members treat patients in public and private settings in affiliated hospitals, and advance the art of healing, while developing and initiating innovative concepts in the provision of medical care that reflects the social and economic realities of the community.

The mission of the Health Sciences Schools with regard to County is to assist County in the provision of high quality health care to the citizens of the County of Los Angeles, while offering an equally high quality educational, research and service experience for health professionals in training and for its faculty.

### **Goals of the County of Los Angeles Department of Health Services:**

By entering this Agreement, the Department of Health Services seeks to strengthen its relationship with University in a manner that maximizes the health services available to the community and provides a strong Resident education program. The Department of Health Services also seeks to:

1. Improve the value (quality and efficiency) of health care provided by DHS.
2. Enhance and protect the health of the residents of County.
3. Simplify and automate DHS and County processes for patients, partners, employees, and the public.
4. Reduce disparity in care and enhance cultural sensitivity across DHS.
5. Support education and research to improve the health of County residents.

County and University believe that their missions are complementary and agree that it is in their best interests to continue to fulfill their respective missions through an affiliation.

THEREFORE: The Parties agree that University will provide services to County pursuant to the terms of this Agreement and that this Agreement shall supersede Agreement Number 78970 and all Amendments thereto.

## **1. DEFINITIONS**

- 1.1 2019 MSAA.** That certain Affiliation Agreement between the University and County dated July 1, 2019 and all Amendments thereto (Agreement Number 78970), including that certain Acknowledgment Form dated October 6, 2023, all of which are superseded entirely by this Agreement as provided in Section 12.1 below.
- 1.2 AAMC.** The Association of American Medical Colleges, which is a standard-setting and membership organization of medical schools, teaching hospitals, and academic and scientific societies in the United States and Canada.
- 1.3 ACGME.** The Accreditation Council for Graduate Medical Education, which is the accrediting body for graduate medical education programs, or any successor organization. References to the Review Committee shall mean the Review Committees within ACGME.

- 1.4 Aggregate Funding Amount.** The sum of the Parties' respective GME Investments for the Current Residency Year, as described in Section 5.2.
- 1.5 Agreement.** This Affiliation Agreement made between the County of Los Angeles and the University of Southern California, including all Exhibits, as may be amended from time to time.
- 1.6 AIR.** The Sponsoring Institution's Annual Institutional Review of the Training Programs, as described in Subsection 4.11.3.
- 1.7 Application Process.** The process by which County Physicians shall apply for University Faculty appointments, as described in Subsection 2.4.4.
- 1.8 Appointment Criteria.** The criteria to be applied by University in making Voluntary Faculty appointments, as described in Subsection 2.4.3.
- 1.9 Base Rate.** Fixed rate per FTE for each specialty and sub-specialty to be applied for calculation of the fee for Clinical Purchased Services, as described in Subsection 7.1.1 and for calculation of Program Directors/Associate Program Directors costs, as described in Subsection 5.2.2.1.
- 1.10 Breach Notice.** A written notice provided by a Non-Breaching Party to the Breaching Party describing a purported breach of this Agreement, as described in Subsection 9.4.2.
- 1.11 Breaching Party.** A Party materially failing to perform or satisfy its obligations, commitments, and covenants pursuant to this Agreement, as described in Subsection 9.4.1.
- 1.12 Bylaws.** The Bylaws and Rules and Regulations of the Medical Staff of Hospital, as may be amended from time to time.
- 1.13 Clinical Purchased Services.** The professional medical services rendered by University Personnel to and for the benefit of patients in Primary County Facilities, as described in Section 6.2 and Exhibit 6.
- 1.14 Clinical Staffing Administrative Rate.** A fixed rate applied to the Base Rate and Fringe Benefits as part of the fee for Clinical Purchased Services, as described in Subsection 7.1.3.
- 1.15 COLA.** The annual Cost of Living Adjustment that may be applied to the fixed rate per FTE for each specialty or sub-specialty as set forth on Exhibit 6 of the current Contract Year, for purposes of calculating the Base Rate for the following Contract Year pursuant to Subsection 7.1.1, if and as described in Section 7.2.
- 1.16 Concurrent Employee.** An individual who is concurrently included within both County Personnel and University Personnel, as described in Section 11.2.3.
- 1.17 Contract Year.** July 1 through June 30 of any year for which this Agreement is in effect.
- 1.18 County.** The County of Los Angeles, including as appropriate its departments, facilities and officials.
- 1.19 County Counsel.** The County Counsel of the County of Los Angeles.



- 1.20 County Personnel.** Persons employed, contracted, or otherwise engaged by County and under County's control or supervision, in either case, to work in Primary County Facilities or to participate in the Training Programs or Teaching Programs, including without limitation County Physicians and County Residents.
- 1.21 County Physicians.** Physicians employed, contracted, or otherwise engaged by County (and not by or through University) to render professional and/or administrative services at Primary County Facilities or to participate in the conduct of the Training Programs and/or the Teaching Programs as described herein, other than County Residents.
- 1.22 County Residents.** Residents enrolled in the Training Programs and employed by County.
- 1.23 CPOE.** The County Policy of Equity (<https://ceop.lacounty.gov/>), as described in Section 12.9.
- 1.24 Current Residency Year.** The Contract Year for which the Parties' respective GME Investments, the Aggregate Funding Amount, the Parties' respective Total Cost Allocations, and the GME Reconciliation Amount are determined and funded pursuant to Article 5.
- 1.25 Current Union Agreement.** Each Party's then-applicable negotiated agreement with the Committee of Interns and Residents, as described in Subsection 5.2.1.1.
- 1.26 Department.** A clinical department at Hospital.
- 1.27 Department of Health Services / DHS.** The County of Los Angeles Department of Health Services.
- 1.28 DHS Director.** The Director of the County of Los Angeles Department of Health Services.
- 1.29 Designated Institutional Official or DIO.** The person who, in collaboration with the GMEC, has the authority and responsibility for oversight of all graduate medical education programs of the Sponsoring Institution, and is so recognized by ACGME, as described in Section 4.11.
- 1.30 Effective Date.** The date as of which the transactions and arrangements described in this Agreement shall take effect, which shall be July 1, 2025, except as otherwise expressly indicated in Section 9.1.
- 1.31 Employment Practices Claim.** A claim as described in Subsection 11.2.1.
- 1.32 Employment-Related Indemnity Payments.** Payments made in connection with any settlement, judgment or award (including any award of costs and attorneys' fees) for a Shared Employment Practices claim, as described in Subsection 11.2.3.2.
- 1.33 Events of Termination.** Any of the events or circumstances described in Section 9.3 and serving as the basis for immediate termination of this Agreement.
- 1.34 Exhibits.** Any exhibits to this Agreement, as may be amended from time to time, including the following:

- Exhibit 1: Training Programs
- Exhibit 2: Primary County Facilities
- Exhibit 3: AAMC Uniform Clinical Training Affiliation Agreement
- Exhibit 4: County Physician Participation in University Sponsored Research
- Exhibit 5: Funding and Allocation of GME Costs
- Exhibit 6: Clinical Purchased Services
- Exhibit 7: Physician Time Study
- Exhibit 8: Retention of Records under This Agreement
- Exhibit 9: Contractor's EEO Certification
- Exhibit 10: Los Angeles County Code, Jury Service Program
- Exhibit 11: Contractor Acknowledgement and Confidentiality Agreement
- Exhibit 12: Charitable Contributions Certification
- Exhibit 13: Los Angeles County Board of Supervisors Policy Manual, 5.070 – Multi-Year Service Contract Cost of Living Adjustments
- Exhibit 14: Agreements with County of Los Angeles- Standard Cost of Living Adjustments (COLA) Provisions

- 1.35 Existing Agreements.** Those existing agreements between County and University or any department or affiliate thereof that predate the Effective Date, including without limitation: (i) the 2019 MSAA; (ii) the Resident Sharing Agreements; and (iii) the Sponsored Programs Agreement.
- 1.36 Faculty.** Individuals holding academic appointments at University, including Keck School of Medicine or another applicable University Health Sciences School, including for purposes of this agreement all of the following: Full-Time Faculty employed primarily by University (as University Physicians); Part-Time Faculty employed primarily by County and on a part-time basis by University (as County Physicians); and Voluntary Faculty employed solely by County (as County Physicians). Except where otherwise indicated herein, Faculty shall include all three categories of Faculty.
- 1.37 Faculty Responsibilities.** University policies, codes, guidelines, and other relevant standards applicable to Faculty, as described in Subsection 2.4.6.
- 1.38 Flexible Funds.** Flexible program support funds in a fixed amount per Resident FTE, intended to cover a range of costs associated with maintaining the educational environment for the Training Programs, as described in Subsection 5.2.4.
- 1.39 Forfeited Compensation.** Compensation (including Base Rate, Fringe Benefits, Clinical Staffing Administrative Rate, and University Administrative Rate) otherwise payable with respect to Clinical Purchased Services subject to a Performance Failure, as described in Subsection 7.3.3.
- 1.40 Fringe Benefits.** The amount charged to County as part of the fee for Clinical Purchased Services pursuant to Subsection 7.1.2, and the amount included in the calculation of the Aggregate Funding Amount for Training Program Costs pursuant to Section 5.2.
- 1.41 Full Time Equivalent (FTE).** The measure of work effort described in Subsection 6.2.1.1 and used as the basis for calculating University's Staffing Commitment for the delivery of Clinical Purchased Services.

- 1.42 GME Administrative Overhead.** General administrative overhead for the Training Programs calculated as a fixed percentage of the combined amounts for each Party pursuant to Subsections 5.2.1 through 5.2.5, as described in Subsection 5.2.6.
- 1.43 GME Reconciliation Amount.** The difference between each Party's Total Cost Allocation and its GME Investment, as described in Subsections 5.1.4 and 5.4.2.
- 1.44 GMEC.** The Graduate Medical Education Committee established pursuant to Section 4.10 of this Agreement.
- 1.45 GME Investment.** The amount of Training Program costs to be funded by each Party on an interim basis for the Current Residency Year, as described in Section and 5.2.
- 1.46 Governing Body.** The Los Angeles County Board of Supervisors.
- 1.47 Health Care Data Requests.** Requests by the Centers for Medicare and Medicaid Services, the California Department of Health Care Services, Medi-Cal managed care or other health plans, ratings or evaluation agencies (*e.g.*, Leap Frog), or other similar organizations, for health care, clinical, financial/accounting and other data, as described in Section 2.8.
- 1.48 Health Sciences Student.** A student enrolled in Keck School of Medicine or another University Health Sciences School, who is not licensed to practice such health science in the United States, for which all or some portion of education and/or training occurs at a Primary County Facility, and who is not a Resident.
- 1.49 HIPAA.** The Health Insurance Portability and Accountability Act of 1996 and its implementing regulations, as described in Subsection 12.33.1.
- 1.50 Hospital.** The Los Angeles General Medical Center, including all of its inpatient Departments and outpatient clinics. In this Agreement, Hospital may also be referred to as "LA General."
- 1.51 Hospital CEO.** The Chief Executive Officer at Hospital or his or her designee, pursuant to Subsection 3.1.2.
- 1.52 Hospital CMO.** The Chief Medical Officer of Hospital pursuant to Subsection 3.1.3, or his or her designee, who shall collaborate with University Representative in overseeing the Parties' performance of their respective obligations pursuant to this Agreement. The position of Hospital CMO shall be held by a County employee.
- 1.53 The Joint Commission.** An independent, not-for-profit organization that is the primary standards-setting and accrediting body for hospitals and health care organizations and programs in the United States. The Joint Commission is the accrediting body for Hospital.
- 1.54 Jury Service Program.** County's ordinance entitled Contractor Employee Jury Service, as attached as Exhibit 10 and described in Subsection 12.10.1.
- 1.55 KSOM.** Keck School of Medicine of the University of Southern California.
- 1.56 KSOM Dean.** The Dean of University's Keck School of Medicine.

- 1.57 LCME.** The Liaison Committee on Medical Education, which is the primary accrediting body for medical education programs in the United States, or any successor organization.
- 1.58 Liquidated Damages.** Additional amounts to which County shall be entitled in the event of a Performance Failure, as described in Subsection 7.3.4.
- 1.59 Measurement Year.** The Residency Year that is two (2) years prior to the Current Residency Year, from which Resident rotation data in MyGME shall be used to determine the Sharing Percentages for the Current Residency Year, as described in Subsection 5.3.1.
- 1.60 Medical Staff.** The medical staff of Hospital as defined in the Bylaws.
- 1.61 Non-Breaching Party.** The Party other than the Party that materially fails to perform or satisfy its obligations, commitments, and covenants pursuant to this Agreement, as described in Subsection 9.4.1.
- 1.62 Non-Subject Party.** The Party other than the Party that becomes subject to any Event of Termination, as described in Section 9.3.
- 1.63 Non-Withdrawing Party.** The Party other than the Party who determines to withdraw from or otherwise cease its participation in one or more of the jointly-sponsored Training Programs, as described in Subsection 4.7.1.2.
- 1.64 Party or Parties.** County or University, or both, as appropriate.
- 1.65 Performance Failure.** Any material failure by University to provide the Clinical Purchased Services pursuant to Article 6, as described in Section 7.3.
- 1.66 Performance Failure Notice.** A notice by County to University regarding a Performance Failure, as described in Subsection 7.3.1.
- 1.67 PIs.** Principal Investigators, as used in Exhibit 4.
- 1.68 Plan of Withdrawal.** The plan to be developed by the Parties in the event that either Party unilaterally determines to withdraw from or otherwise cease its participation in one or more jointly-sponsored Training Programs, as described in Subsection 4.7.1.2.
- 1.69 Primary County Facilities.** Hospital and those other facilities owned, controlled or operated by County to which University Personnel shall be regularly assigned, as listed on Exhibit 2.
- 1.70 Program Director.** The Faculty physician with authority and accountability for the operation of a Training Program, as described in Section 4.12.
- 1.71 Resident FTE.** The number of hours of service necessary to fulfill a single ACGME-approved residency slot, including productive and non-productive time, as described in Subsection 5.2.1.
- 1.72 Resident Sharing Agreements.** Those certain Affiliation Agreements for Physicians in Postgraduate Training with respect to the following facilities: (i) USC University Hospital, dated November 18, 1993, as amended to date (H-202905); (ii) USC University Park

Health Center and Student Counseling Services, dated October 9, 1997, as amended to date (H-208629); (iii) USC Norris Cancer Hospital, dated July 1, 1992 (H-201546); (iv) USC Arcadia Hospital, dated February 13, 2023 (H-710130); and (v) USC Verdugo Hills Hospital, dated July 16, 2016 (H-706976).

- 1.73 Residents.** County Residents and University Residents enrolled in the Training Programs. For purposes of this Agreement, the term “Residents” includes interns and fellows.
- 1.74 Review Committee.** The Review Committees within ACGME.
- 1.75 Section 1115 Waiver.** A Medicaid demonstration project undertaken by County or the State of California pursuant to a waiver by the Centers for Medicare and Medicaid Services of certain requirements of Title 19 of the federal Social Security Act, granted pursuant to Section 1115 of that Act. The current Section 1115 Waiver is known as the California Advancing and Innovating Medi-Cal (“CalAIM,” formerly “Medi-Cal 2020”) Waiver.
- 1.76 Service Chief.** The individual who is appointed as Chief of a service pursuant to Subsection 3.1.4.
- 1.77 Service Reduction Notice.** A written notice delivered by either Party to the other Party on or before December 15 of any Contract Year exercising such Party’s unilateral right to reduce the volume or scope of Clinical Purchased Services to be provided by University pursuant to this Agreement, effective as of the start of the next Contract Year, as described in Subsection 6.2.9.1.
- 1.78 Shared Employment Practices Claims.** Employment Practices Claims arising out of or connected with the acts or omissions of any Concurrent Employee in, or related to, the performance of the Parties’ respective obligations under this Agreement, as described in Subsection 11.2.3.
- 1.79 Sharing Percentages.** The portion of the Aggregate Funding Amount for the Current Residency Year to be borne by each Party, as determined pursuant to Section 5.3.
- 1.80 Sponsored Programs Agreement.** That certain agreement entered into by University and County dated December 19, 2014 and further identified as Agreement No. H-706374, as amended by Amendment No. 1 dated October 1, 2020, regarding University’s conduct of sponsored research at Hospital.
- 1.81 Sponsoring Institution.** University of Southern California/Los Angeles General Medical Center, which has ultimate authority and responsibility for jointly-sponsored Training Programs, as recognized by ACGME.
- 1.82 Staffing Commitment.** The professional time and effort of the physician FTEs set forth on Exhibit 6, as described in Subsection 6.2.1.
- 1.83 Standards of Conduct.** The standards to be adhered to by all Faculty members, as described in Subsection 2.4.5.
- 1.84 Subject Party.** A Party that becomes subject to any Event of Termination, as described in Section 9.3.

- 1.85 Supplemental Professional Services.** Professional services of University Physicians purchased by County in addition to the Staffing Commitment, as described in Subsection 6.2.3.
- 1.86 Teaching Program.** Any clinical rotations, clerkships or similar observational opportunities of University Health Sciences Students of which some portion of the instruction takes place at Primary County Facilities.
- 1.87 Term.** The time period commencing on the Effective Date and continuing through termination of this Agreement, as described in Section 9.1.
- 1.88 Termination Notice.** A written notice provided by a Non-Breaching Party to the Breaching Party stating the Non-Breaching Party's intent to terminate this Agreement for Cause, as described in Subsection 9.4.3.
- 1.89 Tier I Executive Meeting.** A meeting of Hospital CMO and University Representative as described in Subsection 9.4.4.1.
- 1.90 Tier II Executive Meeting.** A meeting of Hospital CEO and Hospital CMO (on behalf of County) and University's Chief Clinical Officer and KSOM Dean (on behalf of University's Senior Vice President for Health Affairs) as described in Subsection 9.4.4.2.
- 1.91 Tier III Executive Meeting.** A meeting of the DHS Director and University's Senior Vice President for Health Affairs as described in Subsection 9.4.4.3.
- 1.92 Total Cost Allocation.** Each Party's allocated share of the Aggregate Funding Amount for the Current Residency Year, as described in Subsection 5.4.1.
- 1.93 Training Program.** As may be set forth in Exhibit 1, accredited residency, fellowship, or other medical education, dentistry, podiatric, or independent health profession or technician training programs of which some portion of the training takes place at Primary County Facilities. However, for purposes of ACGME-accredited programs described above, the term "Training Program" shall include only those programs that are jointly sponsored by University of Southern California and Los Angeles General Medical Center (*i.e.*, that are designated with University of Southern California/Los Angeles General Medical Center as the Sponsoring Institution).
- 1.94 University.** The University of Southern California or any of its University Health Sciences Schools, as appropriate to the context.
- 1.95 University Administrative Rate.** A general administrative fixed rate applied to the Base Rate and Fringe Benefits as part of the fee for Clinical Purchased Services, as described in Subsection 7.1.4.
- 1.96 University Department Chair.** The individual primarily responsible for a particular clinical department of University, as described in Subsection 2.3.1.
- 1.97 University Health Sciences School.** Any School or Division organized and operating within Health Sciences of the University of Southern California, including without limitation Keck School of Medicine of USC, Herman Ostrow School of Dentistry of USC, USC Alfred E. Mann School of Pharmacy and Pharmaceutical Sciences, USC Chan

Division of Occupational Science and Occupational Therapy, USC Division of Biokinesiology and Physical Therapy, USC Suzanne Dworak-Peck School of Social Work, and USC Leonard Davis School of Gerontology.

- 1.98 University Personnel.** Full or part-time employees of University and any other persons provided by University to perform Clinical Purchased Services or to participate in the Training Programs or Teaching Programs who are under University control or supervision. University Personnel shall include without limitation University Physicians, University Residents, and Health Sciences Students.
- 1.99 University Physicians.** Physicians employed or engaged by University (and not by or through County) to render Clinical Purchased Services at Primary County Facilities or to participate in the conduct of the Training Programs and/or the Teaching Programs as described herein, other than University Residents.
- 1.100 University Representative.** The individual designated by University's Senior Vice President for Health Affairs who is primarily responsible for collaborating with Hospital CMO in overseeing the Parties' performance of their respective obligations pursuant to this Agreement, as described in Subsection 2.1.4.
- 1.101 University Research Policy.** Policies of University relevant to the conduct of research, as described in Exhibit 4.
- 1.102 University Residents.** Residents enrolled in the Training Programs and employed by University.
- 1.103 USC Health.** USC Health System, a California nonprofit public benefit corporation, and its subsidiaries, including Keck Medical Center of USC (which owns and operates Keck Hospital of USC and USC Norris Comprehensive Cancer Center), and those other health care facilities owned, controlled or operated by USC Health or any other health system or physician group affiliate organized by University.
- 1.104 Withdrawing Party.** The Party who determines to withdraw from or otherwise cease its participation in one or more of the jointly-sponsored Training Programs, as described in Subsection 4.7.1.2.

## **2. RESPONSIBILITIES OF UNIVERSITY**

### **2.1 Provision of Services.**

- 2.1.1 Generally.** University shall provide University Personnel to render Clinical Purchased Services, as set forth in Article 6 and elsewhere as set forth in this Agreement. University shall collaborate and cooperate with County in supervising the Training Programs in a manner consistent with the standards and requirements set forth by ACGME (as may be modified from time to time) and in this Agreement. University shall coordinate and supervise the Teaching Programs in a manner consistent with the standards and requirements set forth by the LCME or other accrediting bodies, as applicable.
- 2.1.2 Cessation upon Loss of Clinical Privileges.** If County notifies University that (i) a University Physician's clinical privileges at Primary County Facilities have been

terminated, or (ii) disciplinary or termination proceedings have been initiated against a University Physician, and that payment to the University Physician from County funds for specified Clinical Purchased Services should terminate, then promptly upon receipt of such notice, University shall cease using County funds to compensate that University Physician for performance of the specified Clinical Purchased Services.

- 2.1.3 Former County Employees. University shall notify Hospital CMO prior to University's use of any individual for the provision of Clinical Purchased Services, if University has knowledge that the individual was a County employee at any time during the previous twelve months. University shall not use County funds to compensate such individual if County objects in writing within thirty (30) days after County's receipt of such notice.
- 2.1.4 University Representative. The Office of the University Senior Vice President for Health Affairs shall designate an individual as University Representative to provide general oversight of University activities under this Agreement. University Representative shall report through and be accountable to University's Senior Vice President for Health Affairs, with such dotted line reporting and accountability as University may determine from time to time in its sole discretion.

2.1.4.1 *Selection and Removal.* University shall retain sole authority regarding the appointment and/or removal of University Representative and any reassignment of his or her duties as University Representative, but shall consult with Hospital CMO prior to any such action.

2.1.4.2 *Duties.* University Representative shall collaborate with Hospital CMO in overseeing the Parties' performance of their respective obligations pursuant to this Agreement. University Representative or his or her designee shall oversee the provision of Clinical Purchased Services, monitor and facilitate institutional compliance with ACGME standards and requirements (as may be modified from time to time) with respect to Training Program in partnership with the DIO and GMEC, assist Hospital CMO in the supervision of the day-to-day delivery of Clinical Purchased Services, participation in Training Programs and Teaching Programs, and in consultation with Hospital CMO, the coordination of any research approved by Hospital's Institutional Review Board to be conducted in Primary County Facilities involving University Personnel or University sponsorship. This Subsection 2.1.4.2 does not: (i) affect the terms of the Sponsored Programs Agreement; or (ii) remove any independent requirements for review or



approval of such research, including those set forth in the Bylaws.

## **2.2 Compliance with County Policies.**

- 2.2.1 Knowledge and Compliance Generally. In the performance of Clinical Purchased Services pursuant to this Agreement, University Personnel shall meet all expectations of County Personnel and shall be subject to and comply with applicable workforce requirements and policies, procedures, rules and regulations of County, DHS, and the Primary County Facility (as applicable), to the same extent as County Personnel. Provided that County causes such policies, procedures, rules and regulations to be readily available to or accessible by University throughout the term of this Agreement, University shall acquaint all University Personnel providing Clinical Purchased Services hereunder with such policies, procedures, rules and regulations. University shall immediately remove any University Personnel from the provision of Purchased Services hereunder upon receipt of written notice from DHS Director or his or her designee, or Hospital CMO, in circumstances where: (i) such person has violated applicable policies, procedures, rules or regulations; or (ii) such person's actions, while on County premises, may harm County patients or (iii) such person's action may create risk to the well-being or safety of County Personnel. County shall provide University with a written statement of the facts supporting any such violation or action within twenty four (24) hours of such removal.
- 2.2.2 Patient Complaints. University shall make a good faith effort to address patient complaints involving University Personnel, to bring those matters outside its control to the attention of appropriate County administrators, and to cooperate fully with County to resolve any such complaints.
- 2.2.3 Quality Improvement. University Personnel shall participate in quality improvement, utilization review and risk management activities as specified in the Bylaws; County's policies; all legal, accreditation and certification standards; and the conditions and terms of this Agreement. University Personnel shall participate in Medical Staff committee review of clinical and risk management issues, including the identification of opportunities for the improvement of quality of care and the resolution of clinical issues related to quality improvement and risk management.
- 2.2.4 Medical Administration. University shall require that all University Personnel assigned to Primary County Facilities attend and participate in all applicable training provided by County under this Section, including appropriate resource utilization, managed care procedures, accreditation and licensure, risk management, and other necessary training as identified and provided by County. Notwithstanding the foregoing, to the extent that any such training programs are required by law and University Personnel have already completed such programs at or through University, they shall not be required to again participate in the same or substantially the same programming in connection with their roles at County pursuant to this Agreement. Time spent by University Personnel on County training programs shall be included within the scope of, and counted toward satisfaction of, University's Clinical Purchased Services obligations described in Article 6 below.

- 2.2.5 Medical Records. University Personnel shall cooperate in the timely completion and maintenance of a complete medical record for each patient encountered, pursuant to Bylaws and applicable state regulations and County policies (including without limitation DHS Policies on Medical Records Documentation) and rules in the manner specified by County. If County provides University with written notice regarding any University Personnel's failure to timely complete and sign off on patient medical records associated with the rendering of Clinical Purchased Services hereunder, University shall promptly intervene (through disciplinary measures as determined by University, up to and including removal from the provision of Clinical Purchased Services hereunder) to avoid further recurrence of the same.

## **2.3 Personnel Responsibilities.**

- 2.3.1 Selection, Removal and Accountability of University Department Chairs. The selection and hiring of all University Department Chairs shall be solely at the discretion of University. University shall consult with Hospital CMO on the selection and/or removal of a University Department Chair, and shall provide County with an opportunity for input in connection with same, but University shall retain authority over both actions. All University Department Chairs shall report and be accountable to KSOM Dean or, for clinical services outside KSOM, the dean of the applicable University Health Sciences School.

### **2.3.2 Health Sciences Students.**

- 2.3.2.1 *General Responsibilities.* University shall be solely responsible for administering and supervising the academic Teaching Programs of Health Sciences Students and other University trainees rotating through Primary County Facilities, including the selection of such Health Sciences Students and trainees and the delivery of appropriate clinical educational experiences to the same.

- 2.3.2.2 *Accounting of Health Sciences Students and University Students.* University shall provide to County on an annual basis at the end of each Contract Year, the summary of the total number of all Health Sciences Students and all other University Students enrolled at University and participating in Teaching Programs with rotations at Primary County Facilities. Such summary shall also be broken down to identify the number of Health Sciences Students and other University Students by trainee type (e.g., medical student, nursing student).

- 2.3.2.3 *Reduction of Health Sciences Students and University Students.* The Parties understand and agree that the efficient, effective and compassionate treatment of patients is critical to meeting the

objective of providing patient-centered delivery of health care. To that end, it is the goal of the Parties to have no more than two (2) Health Sciences Students for each licensed physician in any patient care setting. Notwithstanding the foregoing, County may modify the foregoing ratio or remove Health Sciences Students from any clinical service with written notice to University if County determines that the rotations interfere with or impede efficient clinical operations at Hospital (or other Primary Care Facilities, as applicable) or when necessary for patient care needs. Moreover, the Parties may mutually agree to accept a different ratio at any time. In any such circumstances, County shall cooperate with University in good faith to restore the affected rotations as promptly as possible so as to preserve the associated student educational opportunities.

2.3.3 Exclusion from Federal Health Care Programs.

2.3.3.1 *Cessation of Compensation.* University shall promptly notify County if it learns that any University Personnel have been excluded, suspended or determined ineligible from participation in any federal health care program, including Medicare or Medi-Cal. Promptly upon learning of any such exclusion, suspension or ineligible status, University shall: (i) cease using County funds to compensate such individual for performance of Clinical Purchased Services subsequent to the date of exclusion; and (ii) immediately bar that individual from providing Purchased Services.

2.3.3.2 *Indemnification for Exclusion from Federal Health Care Programs.* University shall indemnify, defend and hold harmless County and its officers, employees, agents, students, fellows and volunteers from and against any and all losses, claims, damages, liabilities or expenses arising out of or connected with the performance of Clinical Purchased Services by any University Personnel who have been excluded, suspended or determined ineligible from participation in any federal health care program, provided that University: (i) knew or reasonably should have known of such person's excluded, suspended or ineligible status during the period at issue; and (ii) failed to remove such person from the performance of Clinical Purchased Services.

## 2.3.4 Coordination of Discipline of Personnel.

2.3.4.1 *Discipline of University Personnel.* University shall be solely responsible for the discipline of all University Personnel and may independently discipline any University Personnel in connection with their University employment. University shall investigate any County complaints regarding University Personnel to determine the necessity for appropriate action. If either: (i) the complaint provides reasonable grounds to believe that the safety of any person or property in Primary County Facilities may be at risk; or (ii) the complaint arises out of allegations of discrimination or harassment by University Personnel and the Parties determine that it is in the best interests of the operation of the Training Programs or the Teaching Programs that such University Personnel be reassigned pending resolution of the allegations; then, in either case, University shall promptly reassign or exclude such University Personnel from participation in the Training Programs and the Teaching Programs at Primary County Facilities pending resolution of the complaint.

2.3.4.2 *Academic Discipline.* University shall establish and implement a process for academic discipline of Faculty, University Residents, and Health Sciences Students. This shall not include employment actions.

2.3.4.3 *Discipline of County Personnel.* University shall cooperate with County with respect to the discipline of County Personnel in connection with their performance of duties and responsibilities contemplated by this Agreement.

2.3.4.4 *Notification.* To the extent permitted by law and University policy, University shall promptly notify County in the event that any Faculty member (whether a County Physician or a University Physician) is subject to any of the following: (i) initiation of disciplinary or termination proceedings; or (ii) receipt of complaints or concerns that might reasonably affect the individual's right or ability to participate in a Training Program or Teaching Program, provide patient care, or carry out his or her Faculty responsibilities in any Primary

County Facility. University shall coordinate and work with County to address such matters.

## **2.4 Faculty Appointments for County Physicians.**

2.4.1 Objective of Faculty Status for All. The Parties recognize that their respective missions and objectives may be best fulfilled if all medical staff members at Hospital (and other Primary County Facilities, as applicable) hold Faculty appointments at University Health Sciences Schools. To that end:

2.4.1.1 All County Physicians shall be granted Voluntary Faculty or Part-Time Faculty status on a timely and consistent basis, subject to the Appointment Criteria and Application Process described below.

2.4.1.2 University shall accept and timely process applications for Faculty appointment of County Physicians.

2.4.1.3 County shall inform candidates of the expectation that candidates must satisfy the Appointment Criteria and willingly adhere to the Appointment Process, and County shall reasonably cooperate with candidates and University in connection with same. Notwithstanding the foregoing, all County hiring decisions shall be within County's sole discretion.

2.4.2 Faculty Categories. Unless and until otherwise determined by University, the types of Faculty status available to County Physicians shall consist of the categories below.

2.4.2.1 *Voluntary Faculty.* Status as Voluntary Faculty shall be based on compliance with the standards and responsibilities set forth herein in connection with the Training Programs and Teaching Programs.

2.4.2.2 *Part-Time Faculty.* Status as Part-Time Faculty shall be predicated upon substantial academic endeavors (beyond the training and teaching responsibilities applicable to all County Physicians as described herein) and/or clinical or scientific research as a part-time employee of University. University shall retain sole discretion regarding the criteria for Part-Time Faculty status and the terms and conditions for part-time employment by University in connection with same.

2.4.3 Appointment Criteria. In connection with applications for Voluntary and Part-Time Faculty status submitted by candidates for employment as County Physicians, University shall consistently and reasonably apply its established appointment criteria for Voluntary and Part-Time Faculty (the “Appointment Criteria”), which currently are as follows:

2.4.3.1 Active contribution to educational programs;

2.4.3.2 Demonstrated ability to stimulate students and trainees toward a scholarly approach to medical practice;

2.4.3.3 Active contribution to research programs including clinical trials;

2.4.3.4 High-quality patient care, as judged by peers, and willing involvement in teaching activities;

2.4.3.5 Reputable and responsible character;

2.4.3.6 Conformity to reasonable standards of professionalism in dealing with Faculty, Residents, staff, and patients; and/or

2.4.3.7 Compliance with applicable law and policy.

2.4.4 Application Process. University shall process applications for Voluntary Faculty status from prospective County Physicians using the process below (the “Application Process”), which shall be undertaken concurrently with County's civil service hiring process.

2.4.4.1 Each completed application shall be accompanied by the candidate’s curriculum vitae, along with a letter of support from the applicable Service Chief at Hospital (or other applicable Primary County Facility) that includes all of the following:

2.4.4.1.1 Clearance or approved status from the California Medical Board (or other relevant California licensing authority) and/or corresponding board of another state;

2.4.4.1.2 Current California medical license;

2.4.4.1.3 Completed and approved background check performed by County for Professionalism, Quality and Claims History issues;

2.4.4.1.4 Confirmation that the candidate has been notified regarding the Application Criteria and Appointment Process; and

2.4.4.1.5 Confirmation of the candidate's intent to perform services in a spirit of collaboration with the applicable University Department towards fulfilling University's academic mission.

2.4.4.2 Except as otherwise expressly agreed by the Parties, within fourteen (14) business days (excluding University holidays) following University's receipt of a completed application for Voluntary Faculty status, University shall notify County in writing whether the candidate satisfies the Appointment Criteria and thus is eligible for Faculty appointment (assuming adherence to the Application Process through completion thereafter). County hereby acknowledges that, notwithstanding Subsection 2.4.1 above, if County makes an offer of employment to such candidate prior to the earlier of (i) expiration of the foregoing fourteen (14)-day period, or (ii) receipt of written notice from University regarding such candidate's eligibility, County shall not assume, rely on, or convey any expectation of Faculty status for such candidate.

2.4.4.3 The proposed appointment shall be reviewed by the applicable University Department Chair and the KSOM Office of Faculty Affairs, Advancement, and Inclusion or, if in a clinical area outside of KSOM, the corresponding office of the applicable University Health Sciences School.

2.4.4.4 The dean of the applicable University Health Sciences School shall hold and exercise the exclusive authority to make all Faculty appointments in his/her sole discretion, taking into consideration the recommendation of the applicable University Department Chair.

2.4.5 General Standards of Conduct for Faculty. University shall foster a constructive clinical and academic environment and culture, reinforcing the need for Faculty to continuously demonstrate collegiality, professional respect, and positive interpersonal relationships so as to: (i) foster the effective functioning of the academic and clinical enterprise; (ii) promote the delivery of high-quality and accessible care to patients of Primary County Facilities; and (iii) model appropriate professional behaviors for the benefit of Residents and Health Sciences Students (the "Standards of Conduct").

2.4.6 Specific Faculty Responsibilities. University shall oversee the application and administration of applicable University policies, codes, guidelines, and other

relevant standards to Faculty (collectively, “Faculty Responsibilities”). Faculty Responsibilities shall include, without limitation:

- 2.4.6.1 All applicable University and KSOM policies and required training, including the University of Southern California General Provisions for KSOM Faculty (or, if in a clinical area outside of KSOM, the corresponding policies and provisions of the applicable University Health Sciences School); *provided, however*, to the extent that any such training programs are required by law and County Personnel have already completed such programs at or through County, they shall not be required to again participate in the same or substantially the same programming in connection with their Faculty roles at University pursuant to this Agreement.;
  - 2.4.6.2 Principles of the KSOM Code of Professional Conduct for Faculty (or, if in a clinical area outside of KSOM, the corresponding code or policies of the applicable University Health Sciences School);
  - 2.4.6.3 University’s Code of Integrity and Accountability (<https://policy.usc.edu/ethics/>);
  - 2.4.6.4 University’s Policy on Prohibited Discrimination, Harassment, and Retaliation;
  - 2.4.6.5 Standards outlined in the University Faculty Handbook; and
  - 2.4.6.6 Other University policies (<https://policy.usc.edu/>), including policies that require the reporting of information to University’s investigative units.
- 2.4.7 Periodic Re-Evaluation of Faculty Appointment. In the case of County Physicians with Voluntary Faculty appointments, University shall periodically re-evaluate such appointments pursuant to policy (currently every two (2) years), unless specific circumstances warrant an earlier evaluation. The renewal of Voluntary Faculty appointment shall be based on evidence of: (i) continued satisfaction of the Appointment Criteria; (ii) adherence to the Standards of Conduct; and (iii) fulfillment of Faculty Responsibilities. Voluntary Faculty at risk of non-reappointment may be presented with Faculty development opportunities as determined and overseen by the dean of the applicable University Health Sciences School and the applicable University Department Chair, including the provision of observation and support through shadowing or proctoring arrangements or similar measures.



- 2.4.8 Faculty Roles Non-Exclusive. Notwithstanding this Section 2.4, University acknowledges and agrees that County Personnel may seek faculty appointments with other academic affiliates of County.

## **2.5 Training and Teaching Programs.**

- 2.5.1 Accreditation. University shall cooperate with County in maintaining the accreditation of all Training Programs conducted in whole or in part in Primary County Facilities and shall notify County of any matters to its knowledge that may compromise such accreditation. University shall maintain accreditation of its Health Sciences Schools by the relevant accrediting bodies, and with County's collaboration and cooperation shall maintain accreditation of all Training Programs by ACGME and any appropriate specialty boards or other applicable accreditation bodies. The Parties also acknowledge that University has or may establish its own training programs outside of the jointly-sponsored Training Programs; to avoid conflicts of interest, University Personnel who are in leadership roles for any University sole-sponsored training programs may not lead or have authority over any of the jointly-sponsored Training Programs.

- 2.5.2 County Bargaining Agreements. University shall use reasonable efforts to comply with the terms of County's collective bargaining agreements with and pertaining to County Residents, to the extent that County has notified University of the provisions in these agreements.

- 2.5.3 Rotation of Residents.

2.5.3.1 *County Residents at USC Health.* University shall cooperate with Program Directors in arranging and supervising the rotation of County Residents through USC Health facilities when educationally appropriate and desired.

2.5.3.2 *University Residents at Primary County Facilities.* University Residents rotating through Primary County Facilities shall be subject to all appropriate supervisory and regulatory requirements applicable to County Residents participating in such Training Programs, including requirements regarding medical records and quality assurance activities. University shall ensure that, when DHS Policy 310.2 requires an Attending Physician to directly supervise Residents, or to examine or evaluate a patient, any University Physician serving as Attending Physician is physically present with the patient on the premises of Hospital or the other applicable Primary County Facility. For purposes of this paragraph, "Attending Physician" means a doctor of medicine, osteopathy, dentistry, or podiatry who

is a member of the organized medical staff with specific privileges.

2.5.3.3 *Rotations at Non-County Facilities.* All rotations of Residents to non-County facilities shall be approved in advance by the DIO, in consultation with Hospital CMO and University Representative as appropriate.

2.5.4 Teaching of Health Sciences Students. Teaching of University Health Sciences Students at Primary County Facilities shall be accomplished in accordance with applicable accreditation standards, University procedures, County policies and regulations, and other County requirements as set forth in this Agreement. Faculty shall teach Health Sciences Students, and medical, dental, pharmacy, psychology, and allied health students and trainees from other institutions, rotating through Primary County Facilities. All student rotations at Hospital or other Primary County Facilities shall be undertaken in compliance with applicable LCME or other accreditation standards. In furtherance of the foregoing, University shall adhere to the terms and conditions of the current AAMC Uniform Clinical Training Affiliation Agreement corresponding to LCME standards then in effect, the most recent version of which is as set forth in Exhibit 3 hereto. University shall promptly notify County of all material changes in Teaching Programs, including changes in the number of Health Sciences Students assigned to or rotating through Primary County Facilities, or changes in the scope, organization or length of such Teaching Programs.

2.5.5 University Personnel and Rotations. University shall maintain a list of all University Personnel rotating through Primary County Facilities, including Health Sciences Students and University Residents, and shall provide such list to Hospital CEO and Hospital CMO and, as appropriate, to the chief medical officer or designee of a non-Hospital Primary County Facility, upon execution of this Agreement and annually thereafter.

2.6 **Research.** University shall abide by the provisions of the Bylaws and the Sponsored Programs Agreement with respect to review, approval and conduct of any research to be performed in Primary County Facilities. University shall coordinate such research pursuant to the Sponsored Programs Agreement. Any such research shall be subject to the approval of the Governing Body. University shall permit County Physicians to participate in the conduct of University sponsored research programs on the terms and conditions set forth on Exhibit 4 hereto.

2.7 **Insurance Coverage.** Without limiting University's indemnification of County and during the term of this Agreement, University shall carry the following insurance coverages at own expense, at all times during the term of this Agreement and a period thereafter (*i.e.*, following the termination of this Agreement) sufficient to cover the applicable statutes of limitation. Such coverage and evidence of insurance shall be satisfactory to County and primary to and not contributory with any other insurance maintained by County. University shall furnish County with certificates of insurance evidencing compliance with all requirements hereunder naming County as an additional insured, as applicable. Certificate(s) or other evidence of coverage shall be delivered to County prior to commencing services under this Agreement, shall specifically identify this Agreement, and

shall contain the express condition that County is to be given written notice by registered mail at least thirty (30) days in advance of any modification or termination of insurance. All required coverages that are commercially procured shall have an A.M. Best rating of not less than A-VII, and be primary and non-contributory to any insurance maintained and shall waive any right of subrogation against University's employees, directors, officers, agents, subsidiaries harmless as provided herein. Despite the use of the term "insurance," such coverages may be provided by commercial insurance, self-insurance, captive, a risk retention group or some combination thereof. Notwithstanding coverages in the amounts specified, the type and limits of coverages stipulated will not, in itself, limit the liability of University. Failure of University to procure and maintain the required insurance shall constitute a material breach of this Agreement.

2.7.1 Liability. The following programs of insurance shall be endorsed naming County as an additional insured, as applicable, and shall include:

2.7.1.1 General Liability insurance written on a commercial general liability form or on a comprehensive general liability form covering the hazards of premises/operations, contractual, independent contractors, advertising, products/completed operations, broad form property damage, and personal injury with a combined single limit of not less than \$1,000,000 per occurrence and \$3,000,000 in aggregate. Coverage is primary and non-contributory and include a waiver of subrogation in favor of County. If written on a claims made form, University shall provide to the County an extended two year reporting period commencing upon termination or cancellation of this Agreement.

2.7.1.2 Automobile Liability coverage of one million dollars (\$1,000,000) each occurrence, for all owned, non-owned and hired vehicles.

2.7.2 Workers' Compensation and Employers' Liability. Workers' compensation insurance with statutory limits if required to do so by California state law. Employers' Liability in the amount of \$1,000,000, to include a waiver of subrogation in favor of County.

2.7.3 Sexual Misconduct Liability. University shall maintain insurance covering actual or alleged claims for sexual misconduct and/or molestation associated with delivery of professional healthcare services with limits of not less than \$2,000,000 per claim and \$2,000,000 aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

- 2.7.4 Umbrella/Excess Liability. Umbrella/excess liability coverage in excess and follow form of Commercial General Liability and Auto Liability policy with a minimum of \$5,000,000 per occurrence.
- 2.7.5 Cyber & Privacy Liability. Cyber and privacy liability coverage in the amount of \$5,000,000 for each claim if University will have access to, store, handle, and/or transmit personally identifiable information, patient health information, credit card or other payment card information, and/or any other highly sensitive information.
- 2.7.6 Employment Practices Liability. Employment practices liability insurance of \$1,000,000 per claim and \$3,000,000 general aggregate.
- 2.7.7 Self-Insurance. County will consider a self-insured program or self-insured retention as an alternative to commercial insurance from University upon review and approval of the following:
- 2.7.7.1 A formal declaration to be self-insured for the type and amount of coverage indicated. This can be in the form of a resolution of University's governing body or a signed written statement from a University officer, including a certificate of self-insurance identifying County as certificate holder or additional insured, as applicable. University shall notify County immediately of discontinuation or substantial change in the program.
  - 2.7.7.2 Name, address and telephone number of University's legal counsel and claims representative, respectively, for the self-insurance program.
  - 2.7.7.3 Financial statement that gives evidence of University's capability to respond to claims falling within the self-insured retention or self-insured program. Re-submission is required at least annually for the duration of this Agreement or more frequently at County's request. Failure to comply will result in withdrawal of County approval.

- 2.8 Health Care Improvement Goals.** The Parties understand and acknowledge that: (i) County is committed to continuing improvement of its health care delivery system, including County's participation in the current and future State and Federal health care improvement efforts, such as the Section 1115 Waivers of the Social Security Act ; and (ii) County receives requests by the Centers for Medicare and Medicaid Services, the California Department of Health Services, Medi-Cal managed care or other health plans, ratings or evaluation agencies (e.g., Leap Frog), or other similar organizations, for health care, clinical, financial/accounting and other data ("Health Care Data Requests"). In furtherance of the foregoing, in connection with and within the scope of Purchased Services as described in this Agreement:

- 2.8.1 General. County shall have primary responsibility for meeting its quality improvement goals and responding to Health Care Data Requests. University shall reasonably support County's efforts and assist County in connection with the same, to the extent relevant to University's provision of Clinical Purchased Services under this Agreement.
- 2.8.2 Provision of Services. University shall provide Clinical Purchased Services under this Agreement consistent with, and in furtherance of, County's quality improvement goals. University Personnel shall reasonably assist in ensuring the accurate and timely documentation of services as needed to meet applicable quality reporting requirements and to timely respond to Health Care Data Requests.
- 2.8.3 Training. If requested by County, University Personnel shall attend any trainings conducted by County or its contractors related to County's quality improvement goals and Health Care Data Requests. Time spent on such training shall be included within the scope of, and counted toward satisfaction of, University's Clinical Purchased Services obligations described in Article 6 below.

### **3. RESPONSIBILITIES OF COUNTY**

#### **3.1 Administration and Governance of Primary County Facilities.**

- 3.1.1 General. DHS Director or his or her designee shall be authorized to administer this Agreement on behalf of County. County, through DHS Director, is responsible for the governance, administration and operation of Primary County Facilities.
- 3.1.2 Hospital CEO. DHS Director shall appoint a CEO for Hospital. County shall provide University with an opportunity for input in connection with the selection of any new Hospital CEO. Hospital CEO shall be responsible for the day-to-day administration and operation of Hospital, shall be authorized to act on behalf of County in matters relating to the administration and performance of this Agreement and, in coordination with Hospital CMO, shall be responsible for Hospital compliance with the terms of this Agreement.
- 3.1.3 Hospital Chief Medical Officer (Hospital CMO).
- 3.1.3.1 *General*. County shall designate a Hospital CMO, who shall collaborate with University Representative in overseeing the Parties' performance of their respective obligations pursuant to this Agreement. Hospital CMO shall have overall responsibility for delivery of clinical care at Hospital. Hospital CMO shall be a full-time County employee and shall receive no compensation from University. County shall consult with University Representative prior to appointment and/or removal of Hospital CMO and any reassignment of his or her duties.

3.1.3.2 *Duties.* Hospital CMO's responsibilities shall include:

- 3.1.3.2.1 *Patient Care Policies.* Assistance in developing, and in informing County Personnel and University Personnel regarding, applicable patient care policies and initiating appropriate action to correct non-compliance.
- 3.1.3.2.2 *Clinical Management and Supervision.* Oversight of clinical operations and medical management of all physician services rendered at Hospital, including both: (i) care rendered by County Physicians; and (ii) the day-to-day delivery of Clinical Purchased Services by University Physicians under this Agreement, with the assistance of University Representative.
- 3.1.3.2.3 *Quality Improvement.* Oversight of physician and Hospital quality improvement activities as set forth in the Bylaws and of the activities of Hospital's quality improvement committee.
- 3.1.3.2.4 *Bylaws.* Periodic review of the Bylaws, working with the Medical Staff to initiate any amendments necessary to bring them into conformity with current professional standards or this Agreement, and monitoring of physician compliance with the Bylaws.
- 3.1.3.2.5 *Joint Commission Accreditation.* Monitoring of compliance with Joint Commission standards.
- 3.1.3.2.6 *ACGME Accreditation.* Monitoring and facilitating institutional compliance with ACGME standards and requirements (as may be modified from time to time) with respect to Training Programs, in partnership with University Representative, the DIO, and GMEC.

3.1.4 Service Chiefs.

3.1.4.1 *Selection, Removal and Accountability.* All Service Chiefs shall be selected by Hospital CMO and, unless otherwise mutually agreed by the Parties, shall be employed by County. County shall provide University (through University Representative, who shall consult with the corresponding University Department Chair(s) as applicable) with an opportunity for input in connection with the selection and/or removal of a Service Chief, but Hospital CMO shall retain authority over both actions. All Service Chiefs shall report to Hospital CMO.

3.1.4.2 *Duties.* Service Chiefs at Hospital shall have the responsibility and authority for managing their

respective clinical departments or divisions at Hospital as specified below.

- 3.1.4.2.1 Management of providers during the time they spend participating on the service at Hospital, whether they be County Personnel or University Personnel, with a view toward fostering collaborative and respectful relationships among their peers and colleagues at Hospital. Management shall include identification, selection, expectation setting, coaching, and performance assessment of providers for the work performance and productivity on the respective Hospital service.
- 3.1.4.2.2 Management of the care provided by the service, to include ensuring that: (i) the respective Hospital service is appropriately staffed; (ii) Faculty assignments permit the appropriate levels of supervision of Residents and education of students and trainees; (iii) providers are physically present during their assigned work and are in fact providing appropriate supervision of Residents and education of students and trainees; (iv) specialists and subspecialists are used where clinically advisable and at their appropriate level of skill and expertise; (v) adequate peer review is performed for providers on the service; and (vi) care delivery complies with Bylaws, Rules and Regulations, hospital policies, and all other applicable County rules.
- 3.1.4.2.3 Coordination of scheduling and call coverage to ensure equitable, transparent and consistent treatment of County Physicians and University Physicians within the service.
- 3.1.4.2.4 Oversight of strategic planning and implementation of performance and quality improvement initiatives on the respective clinical service.
- 3.1.4.2.5 Overseeing and implementing effective bi-directional communication between Hospital leadership and their service. This includes meeting at least every six (6) months with Hospital CMO to work on expectations and performance, including but not limited to the areas of productivity, quality and safety. To facilitate such meetings, Hospital CMO may request, and Service Chiefs will provide, written reports on the topics designated by Hospital CMO.
- 3.1.4.2.6 Promoting and facilitating the effective conduct of the Training Programs and the Teaching Programs to the extent applicable or relevant to the service.
- 3.1.4.2.7 Fulfilling their appropriate duties and responsibilities as Faculty members of University, to the extent applicable to their teaching, research and/or clinical duties within the service.

3.1.4.2.8 Partnering with Hospital staff to accomplish regulatory compliance and to respond to grievances.

3.1.5 Medical Staff. County shall organize the Medical Staff in accordance with Joint Commission and State of California medical staff requirements. Medical Staff membership shall be governed by Hospital's Medical Staff Bylaws, and members may be employed by County, University or neither (*i.e.*, voluntary members), as provided in the Bylaws. Members of the Medical Staff shall be responsible for all clinical activities authorized under the Bylaws, subject to the authority of the Governing Body.

### **3.2 Operations of Primary County Facilities.**

3.2.1 Facility Space, Staff and Equipment. County shall be responsible for operations and facilities at Primary County Facilities.

3.2.1.1 Except to the extent provided by University as part of the Purchased Services described herein, County shall be responsible for providing or arranging for all staffing and personnel necessary to ensure the continuous operations of Primary County Facilities in a safe manner. County's obligations shall include the provision of qualified County Personnel in adequate numbers, including without limitation County Physicians, nursing staff, clerical/administrative personnel, janitorial staff, social services, case management, phlebotomy function support, transport services, orthopedic technicians, anesthesia technicians and physician assistants.

3.2.1.2 County shall ensure the continuous availability of sufficient supplies, equipment, support and facilities in good repair and maintained in a manner appropriate to the delivery of safe and high-quality patient care. County shall provide parking to University Personnel when providing Clinical Purchased Services.

3.2.1.3 County shall provide all of the resources described in this Subsection 3.2.1 at levels sufficient to maintain a high-quality tertiary care teaching hospital in compliance with accreditation standards of Joint Commission, ACGME and other accrediting and regulatory bodies (as such standards may be modified from time to time) and in conformity with all applicable state and federal laws, rules, regulations and standards.



- 3.2.2 Security. County shall maintain appropriate security measures to protect University Personnel in Primary County Facilities, including parking facilities, on-call rooms, and grounds.
- 3.2.3 Medical Records. County Personnel shall cooperate in the timely completion and maintenance of a complete medical record for each patient encountered at Primary County Facilities in accordance with the Bylaws and applicable state regulations and County policies and rules. County shall maintain a medical records department sufficient to: (i) meet the requirements of applicable laws, regulations and accreditation requirements; (ii) support patient care, the training of Residents and education of Health Sciences Students, and quality-assurance/performance improvement activities; and (iii) provide a resource for scholarly activity in compliance with the rules and regulations governing approved medical research. County shall retain medical records for the legally required time period and make charts available to University Personnel in a timely manner as necessary for scheduled clinic visits, Hospital admissions, mortality and morbidity reviews, preparation of responses to citations, reimbursement appeals, County or third-party audits, billing, other claims brought by third parties and approved medical research.
- 3.2.4 Training Program Support. County shall maintain adequate facilities and non-physician staff (other than University Personnel), as appropriate, to meet the learning and work environment needs of the Training Programs in a manner consistent with and required by the standards established by ACGME and any other applicable accreditation or regulatory bodies (as may be modified from time to time). In the event that any individual Training Program may be precluded from meeting ACGME standards by County's failure to provide such staff and facilities, Hospital CMO and University Representative (or other University designee) shall collaborate in good faith to jointly consider the matter and identify required remedial measures.
- 3.2.5 Knowledge of and Compliance with County Policies. County shall include University Personnel, as may be applicable, in training sessions regarding County policies and University shall cooperate with County in instructing University Personnel regarding County policies. Notwithstanding the foregoing, to the extent that any such training programs are required by law and University Personnel have already completed such programs at or through University, they shall not be required to again participate in the same or substantially the same programming in connection with their roles at County pursuant to this Agreement. The time associated with the foregoing training and instruction shall be included within the scope of, and counted toward satisfaction of, University's Clinical Purchased Services obligations described in Article 6 below.
- 3.2.6 Patient Complaints. County shall make a good faith effort to address patient complaints, to bring those matters relating to University Personnel to the attention of University, and to cooperate with University in addressing any such complaints.

### **3.3 Personnel Responsibilities.**

- 3.3.1 General. County shall be responsible for hiring, scheduling, promoting, compensating, disciplining, and terminating County Personnel.

- 3.3.2 Employment of County Physicians. Consistent with Subsection 2.4.1.3, County shall inform prospective County Physicians of the expectation that candidates must satisfy the Appointment Criteria and willingly adhere to the Appointment Process, and County shall reasonably cooperate with candidates and University in connection with same. County shall provide University with an opportunity for input in connection with the recruitment and hiring of new County Physicians; notwithstanding the foregoing, all County hiring decisions shall be within County's sole discretion.
- 3.3.3 Employment of County Residents. County shall be solely responsible for the employment of County Residents from the list of academically qualified candidates developed pursuant to Subsection 4.7.2.
- 3.3.4 Performance Evaluations. Hospital CEO or Hospital CMO shall provide input in connection with the performance evaluations of any Service Chiefs or Program Directors who are University Physicians. However, University shall be solely responsible for, and shall retain full discretion regarding the conduct and substance of, such performance evaluations.
- 3.3.5 Coordination of Discipline of Faculty. To the extent permitted by law and County policy, County shall promptly notify University in the event that any Faculty member (whether a County Physician or a University Physician) is subject to any of the following: (i) revocation or termination of clinical privileges at any Primary County Facility; (ii) initiation of disciplinary or termination proceedings; or (iii) receipt of complaints or concerns that might reasonably affect the individual's right or ability to participate in a Training Program or Teaching Program, provide patient care, or carry out his or her Faculty responsibilities in any Primary County Facility. County shall coordinate and work with University to address such matters.
- 3.3.6 Exclusion from Federal Health Care Programs.
- 3.3.6.1 *Cessation of Participation.* County shall promptly notify University if it learns that any County Personnel have been excluded, suspended or determined ineligible from participation in any federal health care program, including Medicare or Medi-Cal. Promptly upon learning of any such exclusion, suspension or ineligible status, County shall cause such individual to immediately cease to participate in the Training Programs and the Teaching Programs, as well as any government-funded or government-sponsored research at Primary County Facilities.
- 3.3.6.2 *Indemnification for Exclusion from Federal Health Care Programs.* County shall indemnify, defend and hold harmless University and its officers, employees, agents, students, fellows and volunteers from and against any and

all losses, claims, damages, liabilities or expenses arising out of or connected with the participation in the Training Programs or the Teaching Programs by any County Personnel who have been excluded, suspended or determined ineligible from participation in any federal health care program, provided that County: (i) knew or reasonably should have known of such person's excluded, suspended or ineligible status during the period at issue; and (ii) failed to remove such person from participating in the Training Programs or the Teaching Programs, or in any government-funded or government-sponsored research at Primary County Facilities.

3.3.7 Discipline of County Personnel. County shall be responsible for the discipline of County Personnel and may independently discipline any County Personnel in connection with their County employment. County shall cooperate with University with respect to the discipline of University Personnel in connection with their provision of Clinical Purchased Services pursuant to this Agreement. County shall investigate any University complaints regarding County Personnel to determine the necessity for appropriate action. If either: (i) the complaint provides reasonable grounds to believe that the safety of any person or property in Primary County Facilities may be at risk; or (ii) the complaint arises out of allegations of discrimination or harassment by County Personnel and the Parties determine that it is in the best interests of the operation of the Training Programs or the Teaching Programs that such County Personnel be reassigned pending resolution of the allegations; then, in either case, consistent with established County civil service rules, County procedures and the Bylaws, County shall reassign or exclude such County Personnel from participation in the Training Programs and the Teaching Programs at Primary County Facilities pending resolution of the complaint.

3.3.8 Health and Safety of Residents and Health Sciences Students. County shall protect the health and safety of Residents and Health Sciences Students assigned to or rotating at Primary County Facilities by providing each Resident or Health Sciences Student with the following:

3.3.8.1 *County Security Information.* Orientation of the type and scope provided by County to its new employees, including information about County's security measures, fire safety and disaster protocols, and any additional recommended personnel safety and security precautions.

3.3.8.2 *Infection Control Procedures.* Instruction in County's policies and procedures for infection control, including the handling and disposal of needles and other sharp objects, and in County's protocols for on-the- job injuries, including

those resulting from needle stick injuries and other exposures to blood or body fluids or airborne contaminants.

3.3.8.3 *Emergency Treatment.* First aid and other emergency treatment on-site, including immediate evaluation for risk of infection and appropriate follow-up care in the event of a needle stick injury or other exposure to blood or body fluids or airborne contaminants. After immediate first aid is provided, University Residents and Health Sciences Students will be referred to University contracted healthcare services for subsequent care, while County Residents will be referred to County employee health.

3.3.8.4 *Facilities.* Information concerning provision of parking, meals, lockers, and appropriate access to on-call rooms, lounge, restrooms and shower facilities, as applicable.

**3.4 Real and Personal Property.** Unless prohibited by Hospital CEO, University shall be permitted to use such real and personal property of County as necessary in fulfilling its obligations hereunder at no additional cost to University. Notwithstanding any other provision of this Agreement, County shall provide space for non-clinical purposes as determined by County in its reasonable discretion. County shall determine what space is available to University Personnel for such non-clinical purposes and may make such space available on a non-exclusive and equitable basis.

**3.5 Faculty Appointments, Rights, Standards, and Responsibilities.**

3.5.1 Faculty Appointments for County Physicians. Consistent with Subsections 2.4.1.3 and 3.3.2 above, County shall facilitate and reasonably cooperate with County Physicians and University in connection with County Physicians' application for Faculty appointments based on the Appointment Criteria and Application Process. County shall cooperate in good faith with University and current or prospective County Physicians to accommodate County Physicians' achievement of their preferred Faculty designation (*i.e.*, Part-Time Faculty or Voluntary Faculty), as described in Subsection 2.4.2. County shall reasonably cooperate in scheduling of County Physicians with Part-Time Faculty status so as to permit and accommodate their performance in such roles, subject to consistent fulfillment of their County employment responsibilities.

3.5.2 Recruitment of New County Physicians. In its recruitment of prospective County Physicians, County shall endeavor to identify candidates who meet the Appointment Criteria and shall facilitate qualified candidates' timely submission of applications for Faculty appointments in accordance with the Appointment Process.

- 3.5.3 Standard of Conduct and Faculty Responsibilities. County shall cause, facilitate, and permit all County Physicians' continuous adherence to the Standards of Conduct and fulfillment of their Faculty Responsibilities. County acknowledges that all County Physicians shall be accountable to the dean of the applicable University Health Sciences School and University Department Chairs for the foregoing, and that the dean of the applicable University Health Sciences School shall have and retain sole discretion and authority regarding the same (which may be delegated to Department Chairs), to the extent set forth in policies of such University Health Sciences School and other University policies.

### **3.6 Training Programs.**

- 3.6.1 Accreditation of Training Programs. County shall cooperate with University in order to maintain accreditation of all Training Programs that are conducted in whole or in part in Primary County Facilities and shall notify University of any matters to its knowledge that may compromise such accreditation.

3.6.2 Scheduling.

- 3.6.2.1 *Scheduling of Faculty.* County shall work with University to schedule Faculty at Primary County Facilities and University Facilities so as to meet the Sponsoring Institution's obligations to accreditation bodies and to ensure that Residents are adequately supervised at all times in accordance with Medical Staff, DHS, and accreditation standards, including (i) the skills, experience, and seniority of Residents; (ii) Review Committee requirements; and (iii) when in effect, Resident qualification levels.

- 3.6.2.2 *Scheduling of Residents.* County shall collaborate with University to cause Program Directors to establish Resident schedules annually at least sixty (60) days prior to the commencement of each Contract Year. County shall coordinate with University to ensure that their respective scheduling information systems maintain accurate and complete data sufficient to permit appropriate billing and Medicare cost reporting.

- 3.6.3 County Residents at USC Health. County shall cooperate with Program Directors in arranging and supervising the rotation of County Residents through USC Health facilities when educationally appropriate and desired. County Residents rotating through USC Health facilities and programs shall be subject to all appropriate supervisory and regulatory requirements applicable to University Residents participating in such programs, including requirements regarding medical records and quality assurance activities.

**3.7 Teaching Programs.** The Parties acknowledge the unique and valuable educational and teaching opportunities available at Hospital and other Primary County Facilities for the benefit of Health Sciences Students. To that end:

3.7.1 County agrees that Hospital and other Primary County Facilities shall serve as primary clinical rotation sites for students of KSOM and other University Health Sciences Schools. University shall retain all rights to place Health Sciences Students at other healthcare facilities as determined in its sole discretion; the selection of all student rotation sites shall be and remain under the exclusive authority of the dean of the applicable University Health Sciences School.

3.7.2 County shall collaborate in good faith with University to ensure the continued availability and accessibility of Primary County Facilities and their respective personnel and operations to permit appropriate clinical educational opportunities for students of KSOM and other University Health Sciences Schools. Subject to the limitations set forth in this Agreement, County shall give University's Health Sciences Students priority over students from other universities in their rotations through Hospital and other Primary County Facilities. County shall notify University of any students from other universities rotating through Hospital and other Primary County Facilities.

3.7.3 County acknowledges and agrees that all clinical rotations of Health Sciences Students at Hospital or other Primary County Facilities must be undertaken in compliance with applicable LCME or other accreditation standards. In furtherance of the foregoing, County shall accommodate and cooperate with University to facilitate adherence to the terms and conditions of the current AAMC Uniform Clinical Training Affiliation Agreement corresponding to LCME standards then in effect, the most recent version of which is as set forth in Exhibit 3 hereto.

3.7.4 County shall schedule Faculty in a manner that accommodates the teaching of Health Sciences Students consistent with agreed-upon ratios of Health Sciences Students to physicians (Faculty and Residents), and consistent with accreditation standards and applicable policies of the Medical Staff, DHS, KSOM or other applicable University Health Sciences School.

**3.8 Research.** County shall cooperate in good faith with University in the identification and implementation of clinical research studies of high priority to University and of prospective direct or indirect material benefit to LA General's patient population and/or material impact on County's ability to effectively meet the needs of that population.

3.8.1 University-sponsored research conducted in Primary County Facilities shall be conducted in compliance with the Sponsored Programs Agreement, and County shall collaborate in good faith with University to accommodate such research.

3.8.2 Any County Physician serving as principal investigator of a University-sponsored research project must have a Part-Time Faculty appointment, consistent with *USC Guide to Research* and KSOM policy and procedures as then in effect. County may permit County Physicians to participate in the conduct of University sponsored research programs on the terms and conditions set forth on Exhibit 4 hereto. Any such County Physician's paid effort (*i.e.*, part-time employment) must be sufficient to fully comply with effort requirements set forth in all grant awards

in which they participate. As a condition to participation in any University-sponsored research, County Personnel shall provide University with written confirmation of Hospital CMO's approval of the required effort in connection with the same.

- 3.8.3 Subject to the foregoing, County and University shall collaborate in good faith to identify County Personnel who are qualified and willing to act as principal investigator or other key personnel on research grants awarded to University. University shall have final authority to grant permission to serve as principal investigator or other key personnel.
- 3.8.4 Any and all research shall be subject at all times to applicable policies and procedures of University and the applicable University Health Sciences School governing the conduct of sponsored research.
- 3.8.5 This Section 3.8 shall be deemed to supplement the Sponsored Programs Agreement to the extent inconsistent therewith.

**3.9 Insurance Coverage.** Without limiting County's indemnification of University and during the term of this Agreement, County shall provide and maintain at its own expense the following programs of insurance, at all times during the term of this Agreement and a period thereafter (*i.e.*, following the termination of this Agreement) sufficient to cover the applicable statutes of limitation. Such programs and evidence of insurance shall be satisfactory to University and primary to and not contributory with any other insurance maintained by University. County shall furnish University with certificates of insurance evidencing compliance with all requirements hereunder naming University as an additional insured, as applicable. Certificate(s) or other evidence of coverage shall be delivered to University prior to commencing services under this Agreement, shall specifically identify this Agreement, and shall contain the express condition that University is to be given written notice by registered mail at least thirty (30) days in advance of any modification or termination of insurance. All required coverages that are commercially procured shall have an A.M. Best rating of not less than A-VII, and be primary and non-contributory to any insurance maintained and shall waive any right of subrogation against County's employees, directors, officers, agents, subsidiaries harmless as provided herein. Despite the use of the term "insurance," such coverages may be provided by commercial insurance, self-insurance, captive, a risk retention group or some combination thereof. Notwithstanding coverages in the amounts specified, the type and limits of coverages stipulated will not, in itself, limit the liability of County. Failure of County to procure and maintain the required insurance shall constitute a material breach of this Agreement.

- 3.9.1 Liability. The following programs of insurance shall be endorsed naming University as an additional insured, as applicable, and shall include:

- 3.9.1.1 General Liability insurance written on a commercial general liability form or on a comprehensive general liability form covering the hazards of premises/operations, contractual, independent contractors, advertising, products/completed operations, broad form property damage, and personal injury with a combined single limit of not less than

\$1,000,000 per occurrence. If written with an annual aggregate limit, the policy limit should be two (2) times the above required occurrence limit and, in any event, at least \$3,000,000. If written on a claims made form, County shall be required to provide an extended two year reporting period commencing upon termination or cancellation of this Agreement. Coverage shall be primary and non-contributory and include a waiver of subrogation in favor of University.

3.9.1.2 Automobile Liability coverage of one million dollars (\$1,000,000) each occurrence, for all owned, non-owned and hired vehicles.

3.9.1.3 Professional Medical and Hospital Liability Insurance covering liability from any error, omission or negligent act of County, its officers, employees or agents, or University Personnel and University Residents providing Purchased Services, with a limit of liability of at least \$1,000,000 per claim.

3.9.2 Workers' Compensation and Employers' Liability. Workers' compensation insurance with statutory limits if required to do so by California state law. Employers' Liability in the amount of \$1,000,000, to include a waiver of subrogation in favor of University.

3.9.3 Sexual Misconduct Liability. County shall maintain insurance covering actual or alleged claims for sexual misconduct and/or molestation associated with delivery of professional healthcare services with limits of not less than \$2,000,000 per claim and \$2,000,000 aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

3.9.4 Umbrella/Excess Liability. Umbrella/excess liability coverage in excess and follow form of Commercial General Liability and Auto Liability policy with a minimum of \$5,000,000 per occurrence.

3.9.5 Cyber & Privacy Liability. Cyber and privacy liability coverage in the amount of \$5,000,000 for each claim if County will have access to, store, handle, and/or transmit personally identifiable information and/or any other highly sensitive information, patient health information, credit card or other payment card information, and/or any other highly sensitive information.

3.9.6 Employment Practices Liability. Employment practices liability insurance of \$1,000,000 per claim and \$3,000,000 general aggregate.



3.9.7 Self-Insurance. University will consider a self-insured program or self-insured retention as an alternative to commercial insurance from upon review and approval of the following:

3.9.7.1 A formal declaration to be self-insured for the type and amount of coverage indicated. This can be in the form of a resolution of Governing Body or a signed written statement from a County officer, including a certificate of self-insurance identifying University as certificate holder. County shall notify University immediately of discontinuation or substantial change in the program.

3.9.7.2 Name, address and telephone number of County's legal counsel and claims representative, respectively, for the self-insurance program.

3.9.7.3 Financial statement that gives evidence of County's capability to respond to claims falling within the self-insured retention or self-insured program. Re-submission is required at least annually for the duration of this Agreement or more frequently at University's request. Failure to comply will result in withdrawal of University approval.

#### **4. JOINT RESPONSIBILITIES**

**4.1 Compliance and Cooperation.** The Parties shall work cooperatively in seeking to accomplish the purposes of this Agreement. County and University agree to work together to the extent feasible to balance University's academic mission and program needs with County's mission and goals, including excellence in clinical care, accessibility of care, and the efficient utilization of resources. University Representative and Hospital CMO shall play a pivotal role in these efforts. University and County jointly shall train Faculty and Residents in, and oversee their compliance with, both: (i) applicable Medicare and Medical billing guidelines with respect to physician services; and (ii) correct, complete and timely preparation of medical records in compliance with Joint Commission requirements, DHS policy, and applicable law. The Parties shall meet as necessary or reasonably requested on all matters.

**4.2 Regular Amendments.** The Parties shall periodically amend this Agreement if and as necessary in the interest of: (i) ensuring the provision of timely, high quality care for County patients; (ii) ensuring that University is able to achieve its educational and scientific objectives and meet its staffing obligations; (iii) dealing with rapid changes in both clinical and academic regulatory standards and requirements; and (iv) addressing urgent matters such as employee wellness that may arise. Any such periodic Amendments shall be negotiated in good faith between Hospital CMO and University Representative and shall be subject to approval by County (including as appropriate the County Board of Supervisors) and University. Notwithstanding the foregoing, and upon mutual agreement

by both Parties, DHS Director may execute Amendments to this Agreement on behalf of County, which do any of the following: (i) add, delete, and/or change certain terms and conditions as required under federal or state law or regulation, County policy, the County Board of Supervisors, and/or County Chief Executive Officer; (ii) add or revise contract language to improve or update Hospital operations within the scope of services at no additional contract cost; and (iii) add or delete Purchased Services to this Agreement at no additional cost to this Agreement.

**4.3 Third Party Revenue.** Each Party shall require personnel under its supervision to work cooperatively to enable the other to recover all available and appropriate third party reimbursement.

**4.4 Avoidance of Detrimental Activities.** Consistent with the need to maintain high quality clinical care and Training Programs and Teaching Programs, the Parties shall seek to avoid activities that unnecessarily increase the costs or decrease third party reimbursement for services provided at Primary County Facilities. County shall use its best efforts to avoid cost reduction activities that harm Training Programs or Teaching Programs. Although University and County shall cooperate to resolve any conflicts that may arise between clinical care, on one hand, and Training Programs or Teaching Programs, on the other, County shall retain the sole right and responsibility to allocate its clinical resources as County deems appropriate, subject to County's commitments as expressly set forth herein.

**4.5 Risk Management and Quality Improvement.** To the extent permitted by law, the Parties shall exchange information for risk management purposes, including incident reports, necessary to the defense of actions brought against County and/or University or any of their respective personnel. As necessary in exchanging such information, the Parties shall provide for protection of privileged information through joint confidentiality agreements for defense.

**4.6 Clinical Pathways and Practice Guidelines.** University and County shall cooperate in the development and implementation of clinical pathways or practice guidelines in coordination with County's clinical resource management process.

**4.7 Collaboration as Sponsoring Institution.**

4.7.1 Shared Commitment. The Parties shall work collaboratively and in good faith to promote the success of their jointly-sponsored Training Programs and to fulfill the responsibilities of Sponsoring Institution in connection with the Training Programs delivered to Residents at Primary County Facilities.

4.7.1.1 Notwithstanding the foregoing, neither Party shall be prohibited or limited in any manner in its ability to sponsor, participate in, accommodate, support, or facilitate other accredited residency, fellowship, or other medical education, dentistry, nursing and allied health education, or independent health profession or technician training programs beyond the scope of the Training Programs that are subject to the joint sponsorship of the Parties as set forth herein.

4.7.1.2 If either County or University unilaterally determines to withdraw from or otherwise cease its participation in the joint sponsorship of one or more of the Training Programs, such Party (the “Withdrawing Party”) shall notify the other Party (the “Non-Withdrawing Party”) in writing of the same. In such circumstances, the Parties shall collaborate in good faith to develop and implement a plan for transition of the applicable Training Program(s) (“Plan of Withdrawal”). The Plan of Withdrawal shall address the financial, operational, clinical, and academic implications of such withdrawal and shall conform in all respects to ACGME or other applicable accreditation guidelines for withdrawal or change in institutional sponsorship and/or major changes to the sponsoring institution. The Plan of Withdrawal shall provide for timely reassignment of Residents, including their temporary or permanent transfers to other ACGME-accredited programs as needed to permit the continuation and completion of their graduate medical education. The Withdrawing Party shall be responsible for all costs associated with the Plan of Withdrawal, including without limitation liability for any costs incurred with reaccreditation or new accreditation for any impacted Training Program, costs associated with arranging alternative training programs for impacted Residents, and costs required to procure additional physician or other medical services to maintain the accreditation status of the applicable Training Program consistent with ACGME or other applicable accreditation and/or regulatory requirements.

4.7.2 Oversight of County Resident Selection Process. The Parties shall cause their respective personnel serving in Training Program administrative roles (including without limitation as DIO, Program Directors, Associate Program Directors, and Program Coordinators, all as described herein) to attend to the fulfillment of all applicable ACGME requirements and other applicable academic and accreditation standards then in effect, including without limitation: (i) evaluating the academic qualifications of candidates for Resident positions and developing a list of qualified candidates for Resident positions; (ii) timely submitting Resident matching lists to the National Resident Matching Program or other applicable matching entities; and (iii) ensuring that any non-United States citizen Residents satisfy all federal and state visa and other training requirements in accordance with the rules of the Education Commission for Foreign Medical Graduates or any other applicable authority. Notwithstanding the foregoing, each Party shall have sole discretion regarding its Resident hiring decisions.

- 4.7.3 Allocation and Scheduling of Residents. The Parties shall cause the Program Directors to develop and implement duty schedules (including aligned block, duty, and on-call schedules) for the allocation of Residents, consistent with University's and County's educational goals and objectives and the curriculum approved by the DIO and GMEC. Clinical and educational work hours and on-call schedules shall focus on the needs of the patient, continuity of care, and the educational needs of Residents. Clinical and educational work hours shall be consistent with the institutional and ACGME program requirements then applicable to the respective Training Program.
- 4.7.4 Learning Objectives. Residents' learning objectives shall not be compromised by excessive reliance on Residents to fulfill Primary County Facilities' or University's institutional service obligations, and Residents shall be provided appropriate backup support when patient care responsibilities are unusually difficult or prolonged.
- 4.7.5 Educational Performance Indicators. Training Program educational performance shall be monitored in accordance with guidelines and standards set by ACGME, specialty certification boards, and subspecialty certification boards, all as then in effect. Faculty supervisory performance shall be monitored in accordance with the guidelines set by the applicable accrediting bodies and the terms and conditions of this Agreement.
- 4.7.6 Confidentiality. University and County agree that all residency program information shall be maintained according to ACGME Institutional Common Program Requirements and Specialty and Subspecialty requirements (as then in effect). University and County agree that all applicable laws relating to confidentiality and peer review protect GMEC minutes, GMEC Internal Reviews (not including schedules and/or Review dates), GME Semi-Annual Status Reports, any Corrective Action Plans, and ACGME correspondence pertaining to program citations and concerns (including without limitation materials developed by or for the Safety, Fairness and Equity Committee within the Office of Graduate Medical Education). County and University agree to keep such program information confidential to the extent permitted by law and in accordance with then-applicable ACGME requirements.

#### **4.8 Resident Qualification Levels.**

- 4.8.1 General. County shall establish a system-wide process for assigning Resident qualification levels to Residents in County Training Programs. University shall assist and participate in the development of qualification levels.
- 4.8.2 Resident Performance. Each Program Director shall oversee the performance of Residents in his or her Department.
- 4.8.3 Implementation of Resident Qualification Levels. A member of the Medical Staff shall directly supervise any activity or procedure performed by Residents, as appropriate. Each Program Director shall be responsible for the supervision and performance of his or her Department's Residents at the appropriate level.

**4.9 Compliance with Accreditation Standards.** The Parties acknowledge that County and University are recognized by ACGME as the Sponsoring Institution of the Training Programs, and, as such, ACGME recognizes that both County and University are ultimately accountable to ACGME. The Parties shall perform this Agreement, to the extent practicable, in accordance with the then-applicable standards of the Joint Commission, Title 22 of the California Code of Regulations, ACGME requirements, and any other licensing and accreditation bodies with jurisdiction to review and approve teaching hospitals in California. In the event that any Training Program receives a probationary accreditation status from ACGME or other applicable accreditation body, the Parties, through University Representative or other University designee and Hospital CMO, shall work collaboratively to develop and implement a plan to end probationary accreditation status, including without limitation the sharing of relevant information and the development and implementation of work plans to cure the deficiencies and restore full accreditation.

**4.10 Graduate Medical Education Committees (“GMEC”).** Consistent with applicable ACGME Institutional Requirements, the Parties shall establish and maintain a GMEC that shall collaborate with the DIO in the oversight and administration of the Training Programs. The GMEC shall meet as frequently as necessary to fully discharge its duties, but no less than quarterly during each Contract Year.

4.10.1 Membership. Members of the GMEC shall include the following: the DIO, Hospital CMO, University Representative, all Program Directors of ACGME-accredited Training Programs, a minimum of two peer-selected residents/fellows from among the Training Programs, a quality improvement or patient safety officer or designee, and such other members as may be determined by the GMEC. Each meeting of the GMEC must include attendance by at least one resident/fellow member. The GMEC must maintain minutes that document execution of all required GMEC functions and responsibilities.

4.10.2 Duties. The GMEC shall be responsible for the following with respect to the Training Programs under its purview:

4.10.2.1 *Policies.* Establish and implement policies that affect the quality and work environment of the Residents.

4.10.2.2 *Monitoring and Oversight.* Monitor all aspects of Resident training at Primary County Facilities, USC Health, and other locations, and advise Hospital CMO and University Representative with respect to such issues. Establish and maintain oversight with respect to all of Program Directors, Associate Program Directors, and other personnel involved in graduate medical education.

4.10.2.3 *Program Review.* Regular review of all Training Programs to assess their compliance with the standards of ACGME, its Review Committees,

and others as then applicable, and the overall quality of the training.

4.10.2.4 *Institutional Review.* Work with County Personnel and University Personnel as needed to develop the proper environment for effective training and to review Primary Care Facilities' compliance with ACGME and other then-applicable standards for institutions.

4.10.2.5 *Annual Report.* Prepare an annual report to Hospital CMO and University Representative, and for presentation to the Governing Body. For the Training Programs and facilities under the GMEC's purview, this report shall provide an overview of the status of the Training Programs; overall graduate educational activities; common problems and concerns across the Training Programs; each Training Program's compliance with ACGME institutional and program requirements; University's role in overseeing these activities under the Agreement; and an analysis of the academic accomplishments of Faculty and other performance criteria identified herein.

#### **4.11 Designated Institutional Official.**

4.11.1 Current and Successor. The Training Programs shall be overseen by a Designated Institutional Official ("DIO"), who shall be principally accountable to ACGME and locally accountable to Hospital CMO and University Representative (or other University designee). The Parties acknowledge that, as of the Effective Date, the DIO role is held by Larry Opas, M.D., who is a joint employee of County and University due to certain historical factors unique to Dr. Opas. Upon Dr. Opas's retirement, resignation or removal from the DIO role, the Parties shall engage in a national search for an appropriately qualified replacement having experience in the administration of other ACGME-accredited graduate medical training programs. The successor DIO (and any subsequent successors thereto) shall be selected only upon the mutual agreement of University and County (including, as appropriate, the County Board of Supervisors). The DIO may be dually employed by County and University if mutually agreed by the Parties.

4.11.2 Interaction and Reporting. The DIO shall report to Hospital CMO and University Representative (or other University designee). The DIO shall facilitate the timely distribution and dissemination of relevant information regarding the administration and performance of the Training Programs to both County and University on an even basis. The DIO shall meet on a regular basis (at least monthly) with Hospital CMO and University Representative (or other University designee) to ensure the effective oversight and functioning of the Training Programs in compliance with then-applicable ACGME standards and with a view toward optimizing the graduate medical training experience for all participating Residents.

- 4.11.3 Annual Institutional Review. On no less than an annual basis, and upon request, the DIO shall provide a written report to the Governing Body, Hospital CMO, and University Representative (or other University designee) containing an executive summary of the Sponsoring Institution's Annual Institutional Review ("AIR") detailing the status of all Training Programs of the Sponsoring Institution, including their accreditation status and any concerns identified by the GMEC, DIO and/or ACGME (including its Review Committees, surveyors and investigators, and any reports prepared by such entities). Such written report shall include: (i) a summary of institutional performance on indicators for the AIR; and (ii) action plans and performance monitoring procedures resulting from the AIR.
- 4.11.4 Removal of DIO. The DIO shall serve at the pleasure of the Parties in their shared role as Sponsoring Institution of the Training Programs. The DIO may be removed at any time upon the mutual agreement of the Parties. Alternatively, either Party may unilaterally initiate a corrective action process by which both University and County participate in the development of a corrective action plan for the DIO; in the event that the corrective action plan does not successfully remediate either Party's concerns, the Parties may elevate the matter through a written request to initiate the Executive Meeting process described in Subsection 9.4.4. In the event of removal of the DIO, unless otherwise agreed by the Parties, both Parties shall participate in the process for recruitment and selection of a successor DIO. Consistent with the Parties' shared role as the Sponsoring Institution, the selection of the successor DIO shall require the mutual agreement of the Parties.

#### **4.12 Program Directors.**

- 4.12.1 Role. Responsibility for the day-to-day administration of the Training Programs shall rest with Program Directors and Associate Program Directors, who shall be accountable to the DIO for the effectiveness of their respective Training Programs.
- 4.12.2 Qualifications. Program Directors and Associate Program Directors may be employed by either County or University (*i.e.*, as County Physicians or University Physicians, respectively).
- 4.12.3 Nomination, Appointment and Approval. Candidates for Program Director and Associate Program Director roles shall be nominated by Hospital CMO and University Representative (based on recommendations from the dean of the applicable University Health Sciences School and the applicable University Department Chair(s)). All nominees for Program Director and Associate Program Director roles shall be subject to appointment by the DIO and approval by the GMEC and, in specialties where applicable based on ACGME standards, the Review Committee.
- 4.12.4 Duties, Responsibilities and Time Commitment. Program Directors and Associate Program Directors shall be expected to fulfill the ACGME-prescribed duties and responsibilities for such roles and to devote at least the ACGME-prescribed minimum time commitments to these responsibilities. The specific duties and responsibilities of these roles shall include, without limitation:

4.12.4.1 Fostering continuous engagement of Faculty within each Training Program;

- 4.12.4.2 Developing and overseeing Training Programs and promoting their continuous improvement, including oversight and supervision of Residents in academic and personnel-related matters;
- 4.12.4.3 Selection of qualified Resident candidates, and the timely submission of Resident matching lists to the National Resident Matching Program or other applicable matching entities;
- 4.12.4.4 Preparing and providing to University Representative proposed Resident schedules annually at least sixty (60) days prior to the commencement of services at Primary County Facilities, with monthly updates indicating actual staffing assignments within thirty (30) days following the close of the month;
- 4.12.4.5 Integrating and supervising the delivery of academic content in connection with Resident rotations at non-County facilities, as approved in advance by the DIO pursuant to Subsection 2.5.3.3 above;
- 4.12.4.6 Implementing changes to Training Programs based on current accreditation requirements;
- 4.12.4.7 Preparing for accreditation site visits and review by ACGME Review Committees;
- 4.12.4.8 With the support of the DIO's office, evaluating each Faculty member's performance at least annually in compliance with ACGME requirements, including a review of the Faculty member's clinical teaching abilities and engagement with the Teaching Program; each such evaluation shall include written, anonymous and confidential evaluations by Residents;
- 4.12.4.9 Evaluating all Residents, including a final evaluation of each Resident upon completion of the Training Program; such evaluations shall include formative and summative evaluations, and shall verify whether Residents have demonstrated the knowledge, skills, and behaviors necessary to enter autonomous practice; final evaluations shall consider recommendations from the Clinical Competency Committee; and



4.12.4.10 Administering the Flexible Funds Program for the purpose of supporting the Training Programs, as described in Subsection 5.2.4.

4.12.5 Accountability and Removal. Program Directors and Associate Program Directors shall be accountable to the DIO, and shall meet regularly (or as requested by the DIO) with the DIO to discuss areas of concern and mitigate downstream problems. The effectiveness of Program Directors and Associate Program Directors shall be monitored using various factors, including exit interviews conducted by the DIO with Residents and ACGME-required surveys. Program Directors and Associate Program Directors shall be subject to corrective action, suspension, and/or removal at the discretion of the DIO and consistent with ACGME standards. A change in any Program Director or Associate Program Director shall be processed in accord with ACGME Institutional Policy requirements, including approval by the GMEC and, in specialties where applicable based on ACGME standards, the Review Committee. The Parties shall cause Department Chairs and Service Chiefs to cooperate as reasonably requested in connection with the monitoring, performance evaluation, and any disciplinary action or removal of Program Directors and Associate Program Directors.

**4.13 Faculty/Attendings.** Each Party shall cause its respective employed Physicians, in their Faculty roles and as attending physicians, to promote, support and facilitate the supervision and training of Residents at Primary County Facilities at a level sufficient to address the following goals:

4.13.1 Continued accreditation of Training Programs at Primary County Facilities by ACGME and other national accreditation bodies, as applicable;

4.13.2 Strong performance by Residents on in-service clinical competency examinations and national post-residency certification examinations;

4.13.3 Academic accomplishment and achievement by Faculty sufficient to maintain the high quality of the academic programs at Primary County Facilities; and

4.13.4 The maintenance of a high quality teaching environment in which the educational needs of Residents are of paramount importance.

**4.14 Sharing of Adverse Information.** University and County are committed to providing a work environment free from discrimination, harassment, or retaliation. University and County shall each enforce their respective workplace policies prohibiting discrimination, harassment, or retaliation and shall take appropriate corrective action in response to complaints brought to their respective attention alleging violations of their respective workplace policies. Any such complaints shall be addressed through a fair, timely and thorough investigation. University and County agree to cooperate in any investigations of such complaints. To that end, University and County agree as follows:

4.14.1 Sharing of Adverse Information by University. With respect to University Personnel serving in Primary County Facilities, in accordance with the terms of this Agreement and to the extent that such disclosure is not precluded by law, University shall inform Hospital CMO promptly of the following actions of such University Personnel, if such information is known to University: (i) any formal

personnel discipline arising out of founded and/or substantiated investigations finding University Personnel engaged in misconduct; (ii) any corrective action by any hospital medical staff of membership or privileges (actions reportable under California Business & Professions Code §§ 805, 805.01, and 805.8, letters of reprimand or censure, etc.), including the exact type of the action and its duration if not permanent; (iii) any known criminal conviction or criminal conduct involving such University Personnel; (iv) any known substance abuse issues; (v) any report or complaint by or against University Personnel of discrimination, harassment, or retaliation; or (vi) any exclusion, suspension or determination of ineligibility from participation in any federal health program.

- 4.14.2 Sharing of Adverse Information by County. With respect to County Personnel participating in the Training Programs and/or Teaching Programs pursuant to this Agreement, in accordance with the terms of this Agreement and to the extent that such disclosure is not precluded by law, County shall inform University Representative promptly of the following actions of such County Personnel, if such information is known to County: (i) any formal personnel discipline arising out of founded and/or substantiated investigations finding County Personnel engaged in misconduct, including discrimination, harassment, or retaliation (to the extent County is able to release such information); (ii) any corrective action by any hospital medical staff of membership or privileges (actions reportable under California Business & Professions Code §§ 805, 805.01, and 805.8, letters of reprimand or censure, etc.), including the exact type of the action and its duration if not permanent; (iii) any known criminal conviction or criminal conduct involving such County Personnel; (iv) any known substance abuse issues; or (v) any exclusion, suspension or determination of ineligibility from participation in any federal health program. As it applies only to this section "County Personnel" shall consist solely of County-employed physicians, physician assistants, nurse practitioners, and nurses. At all times, County shall comply with its legal obligations under Title IX of the Education Amendments Act of 1972 and its regulations.

## **5. FUNDING AND ALLOCATION OF TRAINING PROGRAM COSTS**

- 5.1 Funding and Allocation of Training Program Costs.** The Parties shall provide funding for the costs of the Training Programs for each Contract Year, referred to as the "Current Residency Year," as set forth in this Article 5.

- 5.1.1 Authority as Employer Unaffected. The provisions of this Article 5 are intended solely to determine the manner in which the Parties share responsibility for funding the costs of the Training Programs. Nothing in this Article 5 is intended or shall be construed to impact each Party's authority and responsibility as the employer of its own employees (including without limitation Residents, Program Directors/Associate Programs Directors, Program Coordinators, and GME administrative personnel). Each Party shall continue to have all authority and responsibility as to its own employees, including without limitation regarding salaries, benefits, and all other terms and conditions of employment.

**5.2 Calculation of the Aggregate Funding Amount.** The “Aggregate Funding Amount” for the Training Programs with respect to the Current Residency Year shall be calculated as the sum of the components described in the Subsections 5.2.1 through 5.2.6 below. The respective components shall initially be determined separately for each Party, with the resulting sum referred to as such Party’s “GME Investment.” The Parties’ respective GME Investments will then be combined to determine the Aggregate Funding Amount for the Current Residency Year.

5.2.1 Residents’ Compensation. Compensation of Residents to be employed by such Party during the Current Residency Year, calculated as the sum of the components listed below. For purposes of this Article 5, a “Resident FTE” is the number of hours of service necessary to fulfill a single ACGME-approved residency slot, including productive and non-productive time. The number of Resident FTEs to be used in determining the Parties’ respective GME Investments (and the resulting Aggregate Funding Amount) shall be determined by GME Office prospectively as of July 1 of the Current Residency Year. The Resident FTEs shall exclude any Residents who are expecting to spend the entire Current Residency Year doing research.

5.2.1.1 Salaries, calculated by taking the salary rates set in such Party’s then-applicable negotiated agreement with the Committee of Interns and Residents (“Current Union Agreement”), and multiplying them by the number of Resident FTEs.

5.2.1.2 Fringe Benefits equal to 42% of salaries for County-employed Residents and 33.5% of salaries for University-employed Residents.

5.2.1.3 A housing allowance for each Resident FTE at the rate as of July 1 of the Current Residency Year specified in such Party’s Current Union Agreement (as of the Effective Date of this Agreement, \$10,000 per year).

5.2.1.4 Bonuses of \$1,300 per year for each Resident FTE employed by such Party. The Parties acknowledge that the foregoing amount has been established to reflect costs associated with all bonuses, including without limitation those to Chief Residents, educational bonuses and, for County employees, bilingual and 1115 waiver bonuses, and any other compensation denominated as a bonus. The foregoing amount is not intended to be adjusted based on bonuses actually paid going forward, but rather shall remain fixed for the term of this Agreement, unless and until otherwise mutually agreed by the Parties.

5.2.1.5 Other compensation per Resident FTE in an amount equal to 3.1% of salaries for County-employed Residents and 7.7% of salaries for University-employed Residents. The Parties acknowledge that the foregoing rates have been established to reflect costs associated with County payouts for unused sick leave and vacation time, and costs associated with University payouts for unused sick leave, vacation time, winter recess, and health & fitness benefit payments. The foregoing rates are not intended to be adjusted based on actual costs going forward, but rather shall remain fixed for the term of this Agreement, unless and until otherwise mutually agreed by the Parties.

5.2.2 Program Directors/Associate Program Directors. Compensation of Program Directors and Associate Program Directors employed by such Party, calculated as the sum of the components listed below. The number of Program Directors/Associate Program Directors to be used in determining the Parties' respective GME Investments (and the resulting Aggregate Funding Amount) shall be the minimum number necessary to meet the ACGME's requirements for the Training Programs for the Current Residency Year, determined prospectively as of July 1 of the Current Residency Year. The employer of each Program Director and Associate Program Director shall be based on the employing Party as of July 1 of the Current Residency Year, per the records of the DIO, without regard to actual changes in the employment of Program Directors/Associate Program Directors that may occur subsequently during the course of the Current Residency Year. For purposes of this Subsection 5.2.2, the Parties shall rely on a list of the Program Directors and Associated Program Directors provided by the DIO, including the assigned FTE (not to exceed the ACGME combined minimum) and designation of the applicable employer.

5.2.2.1 Salaries, calculated based on the then-current applicable Base Rate per FTE for such specialty or sub-specialty as set forth on Exhibit 6 , multiplied by the applicable number of Program Directors/Associate Program Directors FTEs. The Base Rate shall be adjusted as of the start of each Residency Year if and as provided in Section 7.2.

5.2.2.2 Fringe Benefits equal to 42% of salaries for County-employed Program Directors/Associate Program Directors and 33.5% for University-employed Program Directors/Associate Program Directors.

5.2.2.3 To the extent County has made prior payments to University in the 2024-2025 Current Residency Year for costs associated with

Program Directors/Associate Program Directors, the Parties agree to reconcile the prior payments made by the County with the updated costs calculated based on the methodology and the Parties' revised cost-sharing agreement as set forth in this Article 5, effective as of July 1, 2024. The Parties shall adjust the payment(s) due to the University pursuant to this Article 5 to offset any amounts owed to the County for the prior payments.

5.2.3 Program Coordinators. Compensation of Program Coordinators employed by such Party, calculated as the sum of the components listed below. The number of Program Coordinator FTEs to be used in determining the Parties' respective GME Investments (and the resulting Aggregate Funding Amount) shall be the minimum number necessary to meet the ACGME's requirements for the Training Programs for the Current Residency Year, determined prospectively as of July 1 of the Current Residency Year. The employer of each Program Coordinator shall be based on the employing Party as of July 1 of the Current Residency Year, per the records of the DIO, without regard to actual changes in the employment of Program Coordinators that may occur subsequently during the course of the Current Residency Year. For purposes of this Subsection 5.2.3, the Parties shall rely on a list of the Program Coordinators provided by the DIO, including the assigned FTE (not to exceed the ACGME combined minimum) and designation of the applicable employer.

5.2.3.1 Salaries for Program Coordinators employed by such Party, calculated based on such Party's average salary rates for Program Coordinator FTE positions as of July 1 of the Current Residency Year.

5.2.3.2 Fringe Benefits equal to 42% of salaries for County-employed Program Coordinators and 33.5% for University-employed Program Coordinators.

5.2.4 Flexible Program Support Funds. Flexible program support funds in the amount of \$2,500 per Resident FTE ("Flexible Funds"). The foregoing dollar amount is not intended to be adjusted based on Department-level costs actually incurred going forward, but rather shall remain fixed for the term of this Agreement, unless and until otherwise mutually agreed by the Parties. Flexible Funds shall cover a range of costs associated with maintaining the educational environment for the Training Programs. Flexible Funds for each Training Program shall be administered through the corresponding University Department and expended at the discretion of the Program Director for the applicable Training Program. University Representative and Hospital CMO shall work collaboratively to establish and maintain a pre-approved list of acceptable categories of Departmental expenditures to be funded with Flexible Funds (*e.g.*, graduations, national academy meetings, and publication costs). Proposed expenditures of Flexible Funds not on

the pre-approved list shall require prior approval of both University Representative and Hospital CMO.

- 5.2.5 GME Office Costs. The expenses of the GME Office for the Current Residency Year, as set forth in a budget developed by the DIO consistent with ACGME requirements and approved by the Parties in anticipation of the Current Residency Year. The budget shall reflect salaries and fringe benefits anticipated to be incurred by each Party for personnel performing GME Office functions and other GME Office-related costs. For purposes of this Article 5, expenses of the GME Office shall be solely as set forth in the budget approved in advance of the Current Residency Year, without regard to actual changes in the nature and extent of GME Office costs that may occur subsequently during the course of the Current Residency Year (or any change in the Party that incurs such costs).
- 5.2.6 GME Administrative Overhead. General administrative overhead for the Training Programs in an amount equal to 5.0% of the combined amounts for each Party pursuant to Subsections 5.2.1 through 5.2.5 above (the “GME Administrative Overhead”). The Parties acknowledge that the foregoing rate has been established to reflect costs associated with overhead-related expenses such as human resources, space, finance, and other general administrative costs. The inclusion of GME Administrative Overhead in the Parties’ respective GME Investments (and the resulting Aggregate Funding Amount) is intended to supplement, and not to supersede, any other provision of this Agreement providing for the payment of administrative or other overhead rates in connection with Clinical Purchased Services. The foregoing rate for GME Administrative Overhead is intended to be fixed for each Current Residency Year, without regard to actual costs that may be incurred by the Parties during the course of the Current Residency Year.

**5.3 Determination of Sharing Percentages.** Each Party shall fund a portion of the Aggregate Funding Amount for the Current Residency Year based on its “Sharing Percentage” for such Current Residency Year. The Sharing Percentages shall be determined as described below.

- 5.3.1 Attribution of Residents by Location. The Sharing Percentages shall be based on the total number of Resident FTEs rotating at a particular facility based on the conventions described below. The Sharing Percentages for the Current Residency Year shall be determined based on reconciled rotation data in the MyGME system for the Residency Year that is two (2) years prior to the Current Residency Year (the “Measurement Year”). By way of illustration, the Sharing Percentages for the 2024-2025 Current Residency Year shall be determined based on rotation data in MyGME from the 2022-2023 Measurement Year. Accordingly, on an Resident FTE basis for the relevant Measurement Year:

5.3.1.1 One Hundred Percent (100%) of Resident FTEs rotating at County-owned facilities shall be assigned to County;

5.3.1.2 One Hundred Percent (100%) of Resident FTEs rotating at University-owned facilities shall be assigned to University;

- 5.3.1.3 Eighty Percent (80%) of the Resident FTEs rotating at Children's Hospital of Los Angeles will be assigned to University, and the remaining Twenty Percent (20%) of such rotations shall be assigned to County;
  - 5.3.1.4 Fifty Percent (50%) of the Resident FTEs rotating at all other sites shall be assigned to University and Fifty Percent (50%) shall be assigned to County; and
  - 5.3.1.5 Residents who spent the entire Measurement Year performing research shall be excluded from the foregoing attribution process.
- 5.3.2 Calculation of Sharing Percentages. For the Current Residency Year, each Party's Sharing Percentage shall be calculated based on a fraction:
  - 5.3.2.1 The numerator of which is the total Resident FTEs attributed to such Party for the relevant Measurement Year pursuant to Subsection 5.3.1 above; and
  - 5.3.2.2 The denominator of which is the sum of the total Resident FTEs attributed to both Parties for the relevant Measurement Year pursuant to Subsection 5.3.1 above.

#### **5.4 Determination and Payment of GME Reconciliation Amount.**

- 5.4.1 Total Cost Allocation. For the Current Residency Year, each Party shall be responsible for the portion of the Training Program costs calculated by multiplying the Aggregate Funding Amount by such Party's Sharing Percentage, resulting in such Party's "Total Cost Allocation."
- 5.4.2 GME Reconciliation Amount. For the Current Residency Year, each Party's Total Cost Allocation shall be compared to such Party's GME Investment as determined pursuant to Section 5.2 above. The Party whose Total Cost Allocation exceeds its GME Investment shall pay the difference (the "GME Reconciliation Amount") to the other Party over the course of the Current Residency Year in four (4) approximately equal quarterly installments due on the last day of September, December, March, and June of such Current Residency Year.
- 5.4.3 Process for Annual Determinations. By August 15 of the Current Residency Year, each Party shall provide the other Party with its anticipated GME Investment for such Current Residency Year, as described in Section 5.2 above, broken out by the specific cost components set forth in such Section. Over the subsequent thirty (30)-day period, the Parties shall collaborate in good faith to:
  - 5.4.3.1 Confirm their respective GME Investments;

5.4.3.2 Calculate the resulting Aggregate Funding Amount for the Current Residency Year;

5.4.3.3 Determine the Sharing Percentages for the Current Residency Year based on data from the relevant Measurement Year;

5.4.3.4 Calculate each Party's Total Cost Allocation for the Current Residency Year (by multiplying the Aggregate Funding Amount by such Party's Sharing Percentage); and

5.4.3.5 Calculate the resulting GME Reconciliation Amount for the Current Residency Year.

**5.5 Illustration of Intended Application.** The Parties hereby agree that the concepts set forth in this Article 5 shall be applied as illustrated in Exhibit 5 hereto. For the avoidance of doubt, Exhibit 5 is intended to be illustrative only, with the actual amounts for each Contract Year determined as set forth in this Article 5 above.

## **6. CLINICAL PURCHASED SERVICES**

**6.1 General.** University shall provide Clinical Purchased Services as described in Section 6.2 below and Exhibit 6. The provision of Clinical Purchased Services is intended to maintain and improve: (i) the academic and clinical environment of Primary County Facilities; (ii) the quality of patient care at Primary County Facilities; and (iii) the Training Programs and Teaching Programs operated at those facilities. University's provision of Clinical Purchased Services shall be on a non-exclusive basis, insofar as County shall concurrently obtain or arrange for the delivery by County Physicians of professional services similar to the Clinical Purchased Services. University shall cause all Clinical Purchased Services to be provided by duly licensed and credentialed University Personnel, who have current provider enrollment status with the Medicare and Medicaid programs.

**6.2 Clinical Purchased Services.** University shall provide County with Clinical Purchased Services in the form of the Staffing Commitment described in Subsection 6.2.1 below and, if applicable, the Supplemental Professional Services described in Subsection 6.2.3 below. For purposes of this Agreement, Clinical Purchased Services shall include delivery of professional clinical services, clinical supervision and associated training of Residents and teaching of Health Sciences Students.

**6.2.1 FTE Staffing Commitment.** University shall provide County with the professional time and effort of the physician FTEs set forth on Exhibit 6 ("Staffing Commitment"). Notwithstanding the foregoing, within the first sixty (60) days following the Effective Date, the Parties may agree upon a modified version of Exhibit 6 that adds further detail regarding the composition of the Staffing Commitment.

**6.2.1.1** For purposes of this Article 6 and the Staffing Commitment, 1.0 FTE shall mean 2080 actual productive hours per fiscal year of Clinical Purchased Services, irrespective of how many



functions the University Physician performs during such hours. FTE shall not include non-productive time such as vacations, holidays, sick time, etc. The Parties acknowledge and agree that this FTE definition is intended to be consistent with the measures of time and effort utilized by County with respect to County Physicians in the same specialty. This definition has been used only for purposes of calculating the number of FTEs required to provide needed Clinical Purchased Services, and the total work hours are understood to be aggregated over the entire Contract Year. Any discrepancies between Clinical Purchased Services that are scheduled by County and those actually rendered by University Personnel, if material, shall be addressed via the Performance Failure provisions of Section 7.3 below, with any payment adjustments made only upon completion of the process described therein.

6.2.1.2 Notwithstanding Subsection 6.2.1.1 above, as set forth in Article 7 below, as contract payments are made quarterly, the FTE work effort aggregated for the coming quarter is what will be reflected in that quarterly payment, as mutually agreed by the Parties in collaborative discussions addressing anticipated routine variations in the staffing of Clinical Purchased Services (and any such agreed variations shall not implicate the Performance Failure provisions of Section 7.3 below). In this regard, the Parties shall also consider in good faith additional work effort provided by University Physicians above and beyond the Staffing Commitment in prior quarters.

6.2.1.3 Except as otherwise expressly set forth herein, University shall retain the authority to determine how, and through which University Physicians, the Staffing Commitment is fulfilled (*i.e.*, by which University Physicians and in what fractional portions), subject only to Hospital's Medical Staff Bylaws, Rules and Regulations. Notwithstanding the foregoing, University acknowledges the value of having University Physicians participating in the delivery of Clinical Purchased Services hereunder be dedicated to Hospital (*i.e.*, without concurrent clinical obligations at USC Health or other provider locations).

6.2.1.4 The Parties acknowledge and agree that a single University Physician may concurrently fulfill multiple assignments of Clinical Purchased Services at Primary County Facilities hereunder (e.g., seeing patients in clinic while also staffing a Hospital inpatient service on a consultative basis or providing remote call during regular weekday/daytime hours), provided that patient volumes and available non-Physician personnel are such as to avoid any diminution in quality of care and patient safety.

6.2.1.5 Notwithstanding Subsection 6.2.1.4 above, University Physicians providing Clinical Purchased Services at Primary County Facilities shall not concurrently provide professional services at USC Health or any other non-County facilities. Notwithstanding the foregoing, University Physicians may provide concurrent remote call coverage during overnight, weekend, and/or holiday hours with respect to both Primary County Facilities and USC Health or other non-County facilities; *provided, however*, University shall arrange for backup call coverage to address the limited circumstances in which the on-call physician is needed simultaneously in multiple locations.

6.2.2 Scheduling of Clinical Purchased Services. As of the Effective Date, County shall be responsible for the consistent, timely and transparent scheduling of all Clinical Purchased Services, including the FTE-based Staffing Commitment described in Subsection 6.2.1 above and the Supplemental Professional Services described in Subsection 6.2.3 below (to the extent applicable based on the nature of the Supplemental Professional Services). All Clinical Purchased Services shall be rendered as scheduled, under the oversight of the applicable Service Chiefs and Hospital CMO. In connection with the scheduling of Clinical Purchased Services, overnight, weekend and holiday call coverage generally shall be distributed on an FTE basis within a clinical service line, with the exception of those service lines in which University Physicians comprise a substantial majority of the staffing; as to the latter, call may be assigned pro rata between all providers in the service. County's failure to schedule the full amount of Clinical Purchased Services to be provided by University pursuant to the Staffing Commitment, without regard to reason or intent, shall not impact the amount due and owing from County to University pursuant to Section 7.1 below.

6.2.3 Supplemental Professional Services. In addition to the FTE-based Staffing Commitment described in Subsection 6.2.1 above, the Clinical Purchased Services shall also include certain supplemental professional services of University Physicians as may be agreed by the Parties from time to time ("Supplemental Professional Services"). Any such services shall be documented in advance through a duly-completed and signed Amendment to this MSAA setting forth the

Clinical Purchased Services to be provided (as defined in FTEs, hours, shifts, or other increments of services) and the corresponding rate to be paid by County to University for same. All Amendments shall be prepared as described in Section 12.2 below, and shall be consecutively numbered and attached hereto, with the provisions thereof incorporated as though fully set forth herein.

- 6.2.4 Management and Oversight of Clinical Purchased Services. Service Chiefs shall be responsible for managing their respective Departments in compliance with all relevant professional standards, Joint Commission standards, County policies, this Agreement, and federal and state labor laws. In connection with the foregoing, Service Chiefs shall supervise and direct the delivery of Clinical Purchased Services by University Personnel in their Departments and shall be accountable to Hospital CMO or designee as Hospital service line manager/director.
- 6.2.5 County Guidelines on Telework. University hereby acknowledges County's established policies permitting and governing work from locations other than one's assigned facility (*i.e.*, telework). University hereby agrees that University Physicians rendering Clinical Purchased Services shall be subject to the following telework guidelines.
  - 6.2.5.1 Any decision by a clinical provider to work from a non-County site shall be patient-driven and not staff-driven. Remote work must not interfere with the operations and patient care responsibilities of County or Hospital, and should be seamless to all stakeholders (including patients, trainees, or other members of the clinical team).
  - 6.2.5.2 Telework shall follow the policy and rules determined by County, including proper documentation of effort.
  - 6.2.5.3 Any revocation of telework privileges shall be preceded by a discussion with the provider as to the reasons for same.
  - 6.2.5.4 Service Chiefs at Primary County Facilities shall be responsible for monitoring productivity of providers and shall disclose in advance any monitoring tools used in connection with same.
  - 6.2.5.5 Providers may attend meetings remotely when the nature of the meeting permits, as determined by the convener/chair of the meeting.
  - 6.2.5.6 In the outpatient setting (*i.e.*, primary and specialty care clinics, urgent care and emergency department, ambulatory surgical center), all members of the clinical team shall be

physically present if the patient is physically present.

6.2.5.7 In the inpatient setting (*i.e.*, med-surg, critical care, acute psych, OR), all members of the clinical team shall be physically present during the key components of the care for which the individual provider is responsible.

6.2.5.8 With regard to Resident supervision, the attending physician on the primary service shall be physically present for the key components of the clinical services in which Residents are participating.

6.2.5.9 The foregoing standards shall be applied equitably across all clinical providers within a service.

6.2.6 Compliance with Agreement and County Policies. County shall cause Service Chiefs to use best efforts to ensure that University Physicians in their Departments conduct themselves in accordance with applicable Bylaws, County policies, rules, regulations and this Agreement. Such conduct includes participation in any County orientation and training programs as may be required for County Personnel with similar responsibilities, to the extent not duplicative with training already provided by University and readily verifiable based on University records or systems.

6.2.7 Care to All Patients. Within the scope of the agreed-upon Clinical Purchased Services as described herein, University shall cause University Physicians to provide those clinical services that are necessary or appropriate to meet the medical needs of patients at Primary County Facilities, including those who may experience limited access to other providers due to financial, social, cultural, geographic, or medical reasons, or who have other special needs. County shall ensure that each patient is assigned an attending physician (either a University Physician or County Physician, as applicable), and the Parties shall collaborate continuously and in good faith to ensure that all patients are provided the same quality of care, regardless of financial sponsorship or ability to pay.

6.2.8 Off-Site Services. If a University Physician serving as attending physician determines that diagnostic or therapeutic services necessary for the delivery of appropriate medical care to a patient are not available at Primary County Facilities, that University Physician shall arrange for the necessary services to be delivered elsewhere to the extent possible, in accordance with the DHS Patient Transfer Policy. Notwithstanding the foregoing, University Personnel shall first obtain the prior approval of Hospital CMO (or a designee thereof) prior to referring any patient of a Primary County Facility to any non-DHS facility.

6.2.9 Modifications to Clinical Purchased Services.

6.2.9.1 Either Party shall have the right to unilaterally reduce the volume or scope of Clinical Purchased Services to be provided by University pursuant to the Staffing Commitment described in Subsection 6.2.1, with such right to be exercised through the provision of written notice to the other Party on or before December 15 of any Contract Year (a “Service Reduction Notice”), and such reduction to take effect as of the subsequent July 1 (*i.e.*, the start of the next Contract Year). In anticipation of the same, the Parties (through University Representative and Hospital CMO, or such other designees as may be determined by either Party in its discretion) shall meet no later than November 15 to discuss potential service reductions under consideration. In the event that both Parties provide a Service Reduction Notice as to a particular service or specialty for a particular Contract Year, the lower level of service volume or scope set forth in the respective Service Reduction Notices will apply. Any services reductions shall be memorialized in a duly executed Amendment to this Agreement; neither Party may withhold its approval and execution of any such Amendment, provided that it accurately reflects each Party’s exercise of its right to unilaterally reduce the volume or scope of Clinical Purchased Services pursuant to this Subsection 6.2.9.1.

6.2.9.2 Any and all adjustments to the volume or scope of Clinical Purchased Services other than as described in Subsection 6.2.9.1, whether in connection with the Staffing Commitment described in Subsection 6.2.1 above or the Supplemental Professional Services described in Subsection 6.2.3 above, shall require the mutual written agreement of the Parties and be documented in a duly executed Amendment to this Agreement.

## **7. COMPENSATION AND PAYMENT FOR CLINICAL PURCHASED SERVICES**

**7.1 Payment to University for Clinical Purchased Services.** County shall compensate University in advance, on the first business day of each quarter during the Contract Year, in four (4) approximately equal increments, for the provision of Clinical Purchased Services pursuant to Section 6.2 above and Exhibit 6. The annual compensation in FY 2025-26 for Clinical Purchased Services is \$52,908,000, and shall be the sum of:

- 7.1.1 A base payment amount (“Base Rate”) calculated by multiplying the Clinical Purchased Services FTEs for each specialty or sub-specialty as set forth on Exhibit 6, by the fixed rate per FTE for such specialty or sub-specialty as set forth on Exhibit 6. The Base Rate shall be adjusted as of the start of each Contract Year if and as provided in Section 7.2 below;
- 7.1.2 A fringe benefit rate of 33.5% is applied to the Base Rate (“Fringe Benefits”);
- 7.1.3 A clinical staffing administrative rate (the “Clinical Staffing Administrative Rate”) of 5% is applied to the sum of the Base Rate and Fringe Benefits; and
- 7.1.4 A University administrative rate (“University Administrative Rate”) of 5% is applied to the sum of the Base Rate and Fringe Benefits.
- 7.1.5 The Parties agree to collaborate in good faith to complete the data fields set forth in Exhibit 6 within ninety (90) days from the Effective Date of this Agreement. Upon completion of Exhibit 6, the Agreement shall be amended accordingly to insert the completed Exhibit 6.

In the event that the volume of Clinical Purchased Services described herein is adjusted as described in Subsection 6.2.9, the compensation for Clinical Purchased Services shall be modified accordingly using the then-current fixed rate per FTE for such specialty or sub-specialty as set forth on Exhibit 6 (*i.e.*, after COLA adjustment pursuant to Section 7.2 below, if applicable). In the case of adjustments made during the course of a Contract Year pursuant to Subsection 6.2.9.2 above, the adjusted compensation shall be prorated for the portion of the Contract Year as of which such adjustment takes effect.

Compensation for Supplemental Professional Services shall be paid as set forth in the applicable Amendment.

**7.2 Cost of Living Adjustment (COLA).** For purposes of applying Subsection 7.1.1 above, the Base Rate per FTE for each specialty or sub-specialty as set forth on Exhibit 6 may be subject to an annual COLA at the sole discretion of the County, and subject to the following:

- 7.2.1 Discretionary in Nature. If requested by University prior to the start of a new Contract Year, the contract amount (hourly, daily, monthly, etc.) for each Contract Year may, at the sole discretion of County, be increased annually for each Contract Year, based on the most recent published percentage change in the U.S. Department of Labor, Bureau of Labor Statistics’ Consumer Price Index for Urban Consumers (CPI-U) for the Los Angeles-Long Beach-Anaheim Area for the twelve (12) month period preceding the Agreement anniversary date (hereinafter “Cost of Living Adjustment” or “COLA”). However, any COLA increase applied to Base Rates shall not exceed the general salary movement granted to County employees as determined by the Chief Executive Officer as of each July 1 for the prior twelve (12) month period. Furthermore, should fiscal circumstances ultimately prevent the County Board of Supervisors from approving any increase in County employee salaries, no COLA will be granted, and the Base Rate described in Subsections 7.1.1 and 5.2.2.1 shall continue at its then-present level for the applicable Contract Year. Further, before any COLA increase will take effect and become part of this Agreement, it will require a written amendment that

has been formally approved and executed by the Parties. The Parties shall use best efforts to timely complete the amendment. To request a COLA, University must submit a written request along with appropriate justification, which can be submitted anytime during the academic year, but no later than sixty (60) days prior to July 1 so as to facilitate best efforts to complete and execute the amendment, effective as of the start of the applicable Contract Year. Nothing in this Subsection 7.2.1 shall impact or otherwise limit County's rights under Subsection 7.3.4.3 of this Agreement.

The determination of whether to grant a COLA to University for any Contract Year will be based on the Los Angeles County Board of Supervisors Policy Manual, 5.070 – Multi-Year Service Contract Cost of Living Adjustments, which is included as Exhibit 13, and the criteria set forth therein. In making such determination DHS shall apply the criteria to University in a fair and equitable manner, including, but not limited to, whether COLA increases have been applied to any other contracts for delivery of services within the LA General Hospital Enterprise Fund (e.g., contracts for dental, dietary, housekeeping, landscaping, and nursing and medical personnel registry services listed in Exhibit 14 of this Agreement) in the same Contract Year. County will provide periodic updates to such list of agreements containing Board-approved COLA language, no more than annually, if requested by USC. For purposes of this section, “LA General Hospital Enterprise Fund” shall mean LA General’s annual budget approved by the Governing Body.

7.2.2 Other Contingency for Implementation of COLA. Fiscal or Other Crisis. The parties understand and agree that any COLA pursuant to this Section 7.2 shall not take effect, if at least the Tuesday prior to the scheduled enactment of a COLA, the County Board of Supervisors finds any of the following:

7.2.2.1 A fiscal emergency is declared.

7.2.2.2 A disaster, act of God or natural disaster (including, but not limited to, floods, earthquakes, draught, infrastructure failure or other unforeseeable event(s)) has occurred requiring the County Board of Supervisors to focus and utilize its resources to protect and preserve the safety and health of the citizens of Los Angeles County.

**7.3 Performance Failures – Potential Adjustment of Compensation and Liquidated Damages.** Amounts payable by County to University as compensation for Clinical Purchased Services rendered during the term of this Agreement shall be subject to adjustment as provided below. Notwithstanding Section 12.29 of this Agreement, any notices provided pursuant to this Section 7.3 may be sent by electronic mail.

7.3.1 Performance Failure Notice. In the event that Hospital CMO becomes aware of any material failure(s) by University to provide the Clinical Purchased Services as set forth above (a “Performance Failure”), Hospital CMO will notify University in writing without unreasonable delay, and in no event later than two (2) weeks after becoming aware of such Performance Failure, and such notification will include

factual information in sufficient detail to reasonably demonstrate the Performance Failure and to permit University to investigate each such Performance Failure (a “Performance Failure Notice”). If Hospital CMO is not able to provide the factual information in sufficient detail at the time of the required report, such information will be provided promptly thereafter as it becomes available.

7.3.2 30-Day Review Period. During the thirty (30)-day period immediately following delivery of a Performance Failure Notice, University shall diligently investigate the alleged Performance Failure and University Representative and Hospital CMO shall confer in good faith regarding University’s findings.

7.3.3 Validation of Performance Failure. If the Performance Failure is validated, University Representative and Hospital CMO shall mutually agree on whether the service deficiency is susceptible of remediation through future Clinical Purchased Services. If the validated Performance Failure is not susceptible of remediation, then County shall be entitled to withhold from the next quarterly payment otherwise due under Section 7.1 the compensation (including Base Rate, Fringe Benefits, Clinical Staffing Administrative Rate, and University Administrative Rate) otherwise payable pursuant to Sections 7.1.1 through 7.1.4 with respect to the specific Clinical Purchased Services subject to the Performance Failure (the “Forfeited Compensation”).

7.3.4 Liquidated Damages. The Parties hereby acknowledge and agree that the full extent of damage, inconvenience, disruption, and harm incurred by County as a result of a Performance Failure will be impracticable or extremely difficult to determine (beyond the actual cost of alternative or replacement professional services). Accordingly, in addition to the Forfeited Compensation, County shall be entitled to further withhold a liquidated damages amount calculated as the sum of:

7.3.4.1 [Ten percent (10%) plus a percentage equal to the applicable percentage rate COLA awarded for the current Contract Year], multiplied by the Forfeited Compensation; and

7.3.4.2 The incremental cost actually incurred by County to obtain alternative or replacement professional services for the specific Clinical Purchased Services subject to the Performance Failure (*i.e.*, the amount in excess of the Forfeited Compensation), as documented in writing by County and provided to University;

with the sum of Subsections 7.3.4.1 and 7.3.4.2, referred to herein as “Liquidated Damages.” By way of example (and not limitation), if a Performance Failure results in Forfeited Compensation of \$5,000 during a Contract Year for which a 3% COLA was awarded, County shall be entitled to withhold from the next quarterly payment the amount of \$5,650 (*i.e.*, \$5,000 multiplied by 1.13), along with any incremental cost incurred by County pursuant to Subsection 7.3.4.2 above. Performance Failures that span multiple quarters of the Contract Year may result in quarterly payment withholding for multiple successive quarters. The



liquidated damages amount will be pro-rated based on when the Performance Failure is resolved during the quarter.

The Parties hereby acknowledge and agree that the Liquidated Damages are not intended, and should not be interpreted or construed, as a penalty, but rather are intended to represent a reasonable adjustment of payment to University to recover County's additional costs associated with a Performance Failure.

7.3.5 Performance Failure Not Validated or Subject to Dispute. If University finds that the Performance Failure cannot be validated, University shall notify County in writing accordingly, including supporting detail setting forth the findings of University's investigation.

7.3.6 Resolution Through Executive Meetings. If County declines to accept University's findings, the Parties shall attempt in good faith to resolve the matter through the Executive Meeting process described in Subsection 9.4.4 below. If the Parties are engaged in Executive Meetings as a result of a Performance Failure, the County shall not withhold any Forfeited Compensation or Liquidated Damages during the ninety (90) day period of the dispute resolution process described in Subsection 9.4.4.

**7.4 No Payment for Non-Clinical Research.** The Parties understand and agree that no funds paid by County to University under this Agreement shall be used to pay for non-clinical research and that payment for clinical research services is governed by the Sponsored Programs Agreement. If it is determined that any funds are used to pay for non-clinical research, University shall reimburse County such amount.

**7.5 Faculty Teaching Incentive Fund.** The Parties shall cause University Representative (or another University designee) and Hospital CMO to establish annual awards for excellence in teaching to be awarded to Faculty. Faculty awardees and the amount of the awards shall be determined by University Representative and Hospital CMO based on written criteria jointly developed by University and County. Such written criteria (i) shall include Resident participation, and (ii) shall not distinguish between potential Faculty awardees based on whether employed by County or University. The Parties agree to equally finance this Incentive Fund, with each Party contributing \$30,000 annually.

**7.6 Fresh Tissue Dissection Lab (FTDL):**The FTDL provides a lab for anatomical dissection, surgical planning, research, and surgical skills for resident use and for guided dissection. The Parties agree to share the costs to maintain and operate the FTDL at an annual base budget of Three Hundred Seventy-Five Thousand Dollars (\$375,000), whereby the County shall contribute Two Hundred Twenty-Five Thousand Dollars (\$225,000) on an annual basis, while the University is financially responsible for the remaining One Hundred Fifty Thousand Dollars (\$150,000)."

## **8. REVENUE AND BILLING**

**8.1 Billing and Collection of Charges.** Unless otherwise authorized in writing by DHS Director or designee, only County may bill for services rendered to patients in Hospital and other Primary County Facilities. In the event that University is permitted to bill for professional services, County and University shall mutually agree to written procedures and guidelines for such billing.

- 8.2 Patient Charges.** Each party shall use best efforts to ensure that all appropriate charges are entered for each patient, as applicable.
- 8.3 Information for Cost Reporting.** Each party shall promptly fulfill the other party's requests for information reasonably necessary to meet cost reporting and audit requirements.
- 8.4 Information and Accounting Systems.** The Parties shall use generally accepted accounting principles and practices.

## **9. TERM AND TERMINATION**

- 9.1 Term.** The term of this Agreement shall commence on the Effective Date and shall continue unless and until terminated by either Party as provided in this Article 9 below (the "Term"). Notwithstanding the foregoing, and notwithstanding the provisions of any other agreements between the Parties or their respective affiliates (including without limitation the Resident Sharing Agreements), the Parties agree that the terms set forth in Article 5 (Allocation and Funding of Training Program Costs) above shall become effective and be implemented as of July 1, 2024.
- 9.2 Preservation of Other Remedies.** Failure of a Non-Subject Party (as defined in Section 9.3 below) or a Non-Breaching Party (as defined in Section 9.4 below) to elect termination under the provisions of this Article 9 shall not constitute a waiver of other remedies.
- 9.3 Immediate Termination.** In the event that either Party (the "Subject Party") becomes subject to any of the events or circumstances described in this Section 9.3 below ("Events of Termination"), the other Party (the "Non-Subject Party") may terminate this Agreement upon written notice to the Subject Party, with such termination to be effective either immediately or upon such future date as the Non-Subject Party shall specify in the written notice.
- 9.3.1 Regulatory.** Loss by the Subject Party of any accreditation or certification, including but not limited to Medi-Cal, Medicare, or other Centers for Medicare and Medicaid Services (CMS) certification, or any license or permit required by law that, in any such case, is essential or material to the Parties' ability to perform their respective obligations under this Agreement. Loss of accreditation by any Department or Training Program shall not automatically be deemed essential for purposes of this Subsection 9.3.1. Notwithstanding the foregoing, the Non-Subject Party shall not issue any written notice of termination pursuant to this Subsection 9.3.1 without first providing written notice of such intent to Hospital CMO and University Representative. Thereafter, Hospital CMO and University Representative (or other University designee) shall have thirty (30) days before termination takes effect to review the circumstances and make a joint recommendation to the Parties regarding potential alternatives to termination.
- 9.3.2 Destruction of Premises.** Where the Subject Party is County, the whole or partial destruction of Hospital by casualty, if Hospital's facilities are thereby rendered unsuitable for the Parties' performance of their respective obligations under this Agreement and other reasonably suitable replacement facilities are not readily available on terms that are reasonably workable for the Parties. Notwithstanding the foregoing, in such circumstances, the Parties shall collaborate and cooperate in

good faith to facilitate the effective transition and continued functioning of the Training Programs and Teaching Programs at other facilities (including without limitation other Primary County Facilities) in compliance with applicable accreditation guidelines.

- 9.3.3 Improper Consideration. Where the Subject Party is University, the proffer or provision of consideration in any form by University, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, Amendment, or extension of the Agreement or the making of any determinations with respect to University's performance pursuant to this Agreement. Such improper consideration, among other items, may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts. University shall report any attempt by a County officer or employee to solicit improper consideration for such purposes immediately upon becoming aware of any such attempt. The report shall be made either to County's manager charged with the supervision of the employee or the County Fraud Hotline at (800) 544-6861 or <https://fraud.lacounty.gov/>.
- 9.3.4 Interruption of Service. An interruption of service with respect to either Party, if and described in Section 12.20.
- 9.3.5 Illegality or Invalidity. The inability of the Parties to agree on an Amendment to this Agreement as a result of a finding of illegality or invalidity, if and as described in Section 12.49.

#### **9.4 Breach and Termination for Cause.**

- 9.4.1 Breach. In the event of a material failure by a Party (the "Breaching Party") to perform or satisfy its obligations, commitments, and covenants pursuant to this Agreement, the other Party (the "Non-Breaching Party") may terminate this Agreement upon completion of the notice, cure, and/or dispute resolution processes described in this Section 9.4 below (as applicable), provided that such processes have not resolved the matter to the reasonable satisfaction of the Non-Breaching Party.
- 9.4.2 Breach Notice and Cure Period. The Non-Breaching Party shall provide the Breaching Party with written notice of the purported breach (the "Breach Notice"). Except as provided below, in such event, the Breaching Party shall have a period of ninety (90) days immediately following delivery of the Breach Notice within which to cure the breach; *provided, however*, that if Breaching Party takes diligent good faith efforts to remedy the breach within forty-five (45) days immediately following delivery of the Breach Notice, then the cure period shall be extended to such time as is reasonably necessary and appropriate for the accommodation of both Parties.
- 9.4.3 Termination Notice. If the matter remains uncured at the expiration of the cure period described in Subsection 9.4.2, the Non-Breaching Party may provide the Breaching Party with written notice of the Non-Breaching Party's intent to terminate this Agreement for Cause ("Termination Notice"). Such termination shall be effective upon such future date as the Non-Subject Party shall specify in

the Termination Notice, which shall be not less than twenty-four (24) months following the date of the Termination Notice.

9.4.4 Executive Meetings. Upon delivery of a Termination Notice, the matter shall be subject to the following dispute resolution process over the ninety (90)-day period immediately following the delivery of the Termination Notice:

9.4.4.1 The matter first shall be submitted to Hospital CMO and University Representative, who shall meet one or more times over a thirty (30) day period in a good faith effort to resolve the matter (“Tier I Executive Meetings”).

9.4.4.2 If the matter remains unresolved after the Tier I Executive Meetings, the matter shall be submitted to Hospital CEO and Hospital CMO (on behalf of County) and University's Chief Clinical Officer and KSOM Dean (on behalf of University's Senior Vice President for Health Affairs), who shall meet one or more times over a thirty (30)-day period in a good faith effort to resolve the matter (“Tier II Executive Meetings”).

9.4.4.3 If the matter remains unresolved after the Tier II Executive Meetings, the matter shall then be elevated to DHS Director and University Senior Vice President for Health Affairs, who shall meet one or more times over the subsequent thirty (30)-day period in a good faith effort to resolve the matter (“Tier III Executive Meetings”). If so agreed by the Parties, the foregoing participants may be joined by representatives of the Office of the County Counsel and University's Office of the General Counsel.

9.4.4.4 If the matter remains unresolved after the Tier III Executive Meetings, then County shall have the ability to determine how to resolve the matter to County's reasonable satisfaction. Notwithstanding any such unilateral determination by County, however, University shall not waive (and shall reserve) any and all rights, claims or interests regarding the matter subject to dispute, including the ability to object and to pursue recovery through any available means or forum.

**9.5 Termination for Convenience.** Either Party may terminate this Agreement unilaterally, for any or no reason and without penalty or cause, by providing at least twenty-four (24)

months' prior written notice to the other Party; *provided, however*, that if amounts payable by County to University for Clinical Purchased Services pursuant to Section 7.1 are not subject to the COLA adjustment described in Section 7.2 for any Contract Year, University shall have the right to terminate this Agreement by providing at least twelve (12) months' prior written notice to County. Notwithstanding the foregoing, if University terminates this Agreement pursuant to this Section 9.5, University shall cooperate fully with the County to ensure the appropriate and safe transition of clinical services so as not to disrupt patient care or hospital operations, which may include extending the twelve (12) month notice period or the effective date of the termination as reasonably necessary and appropriate based on patient care needs, but in no case no longer than twenty-four (24) months.

**9.6 Effects of Termination.** Upon termination of this Agreement, subject only to those terms indicated herein as specifically surviving termination, this Agreement shall have no further force and effect unless set forth in a written renewed or new agreement mutually agreed upon in writing by the Parties. County shall pay University as described in Article 7 for University's performance of its obligations hereunder up to the date of such termination, subject to the terms of this Agreement. Thereafter, the Parties shall have no further obligations under this Agreement except as follows:

9.6.1 Cooperation. In the event that either Party terminates this Agreement, whether or not for cause, the Parties shall jointly develop and implement a plan for disaffiliation, which: (i) shall provide for the continuation of quality patient care, recognizing the limits of available resources; and (ii) shall preserve the Training Programs and Teaching Programs to the extent reasonably feasible. Notwithstanding the effective date of termination as stated in the Termination Notice (whether delivered pursuant to Section 9.4.3 or Section 9.5.1), the Parties shall collaborate in good faith to expedite the termination process and may mutually agree that such termination shall be effective sooner than as specified in the Termination Notice.

9.6.2 Patient Care Responsibilities. The Parties shall endeavor in good faith to minimize the adverse impact that termination of this Agreement may have upon patients and the general public. To that end, University shall reasonably cooperate with County to facilitate the effective and efficient transfer of patient care responsibilities at Hospital and other Primary County Facilities. However, County shall be responsible for obtaining replacement medical services for the Clinical Purchased Services upon or as soon as possible after termination. Clinical Purchased Services provided by University during the transition of patient care responsibilities following termination of this Agreement shall be paid under the terms of this Agreement.

9.6.3 Training Programs. The Parties shall jointly work together to consider their educational goals and obligations in connection with the jointly-sponsored Training Programs, and shall ensure that termination is effectuated in a manner that does not violate the Parties' shared ACGME accreditation obligations as the Sponsoring Institution.

**9.7 Survival.** The following provisions of this Agreement shall survive its termination: Sections 2.7 and 3.9 (insurance), Subsections 2.3.3.2 and 3.3.6.2 (indemnification for exclusion from federal health care programs), Section 4.5 (risk management), Subsection

4.14 (sharing of adverse information), Section 7.3 (Performance Failures), this Section 9.7 (continuing responsibilities), Section 10.3 (records and audit), Article 11 (indemnification), Subsection 12.7.2 (indemnification for non-compliance), Section 12.13 (confidentiality), Subsection 12.18.2 (indemnification for employment eligibility verification), Section 12.19 (indemnification for Fair Labor Standards), Section 12.24 (investigations and claims), Section 12.33 (protection of medical information), Section 12.34 (Public Records Act), and Subsection 12.40.3 (indemnification for subcontracting).

## **10. REPORTING AND ACCOUNTABILITY**

**10.1 General Operations.** Each Party shall collect and maintain accurate information on the nature and scope of its operations in Primary County Facilities and shall provide such information as may be reasonably requested by the other Party. County shall designate one person in the office of Hospital CEO, and University shall designate one representative of the office of the Senior Vice President for Health Affairs, to be responsible for providing this information. University shall provide Hospital CMO with a copy of any report it files with the County Auditor-Controller.

### **10.2 Notice of Certain Events.**

10.2.1 Legal or Administrative Actions. For matters related to this Agreement, each Party shall promptly notify University Representative or Hospital CMO, respectively, of any Medical Staff corrective action, claims, administrative reviews or lawsuits relating to Primary County Facilities and professional liability, and any other corrective actions, claims, administrative reviews or lawsuits that may affect the other Party. University Representative and Hospital CMO shall determine whether to conduct a joint investigation and coordinate any remedial action or defense. Nothing in this provision shall be construed to prevent the Medical Staff from performing its duties.

#### 10.2.2 Accreditation, Licensure, and Site Visits.

##### 10.2.2.1 *Training Programs and Teaching Programs.*

For matters related to this Agreement, each Party shall promptly notify the other of any planned site visit by an entity charged with reviewing or certifying any Training Program or Teaching Program, or whose review or certification is likely to materially affect the Parties' performance of their respective obligations pursuant to this Agreement. Such Party shall make available to the other the report from such site visits, including any letters citing deficiencies or suggesting corrective action.

10.2.2.2 *Sanctions.* Each Party shall promptly notify the other of any actual or threatened sanction by any licensing or accrediting entity, peer review organization, or any entity charged with reviewing, certifying or accrediting health care delivery facilities, or educational operations in

Primary County Facilities, that are likely to have a substantial effect on the Parties' performance of their respective obligations pursuant to this Agreement.

### **10.3 Records and Audits.**

- 10.3.1 Financial Records. University shall prepare and maintain accurate and complete financial and operational records, in accordance with Generally Accepted Accounting Principles (GAAP), that substantiate all amounts paid by County under this Agreement. University shall maintain accurate and complete records of all Clinical Purchased Services performed hereunder in such form and manner as County may from time to time reasonably request, including without limitation Exhibit 7, "Physician Time Study," and compliance with Exhibit 8, "Retention of Records Under This Agreement"; in each case, as necessary to satisfy the payment requirements of those governmental and private third-party payers making payments to County for any Purchased Services. All records pertaining to this Agreement shall be retained by University for a minimum of five (5) years following the end of County's July 1st through June 30th fiscal year in which Clinical Purchased Services were rendered; provided that, if County notifies University of an ongoing audit, University shall retain all such records until County notifies University that retention is no longer required. During such periods of record retention, and throughout the term of this Agreement, University shall make all such records available upon reasonable notice, at University during normal business hours, to County and State of California representatives.
- 10.3.2 Federal Access to Records. If and to the extent that Section 1861(v)(1)(I) of the Social Security Act [42 U.S.C. Section 1395x(v)(1)(I)] is applicable, University agrees that for a period of five (5) years following the furnishing of services under this Agreement, University shall maintain and make available, upon written request, to the Secretary of the United States Department of Health and Human Services or the Comptroller General of the United States, or to any of their duly authorized representatives, the contract, books, documents and records of University which are necessary to verify the nature and extent of the cost of services provided hereunder. Furthermore, if University carries out any of the services provided hereunder through any subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve-month period with a related organization (as that term is defined under Federal law), University agrees that each such subcontract shall provide for such access to the subcontract, books, documents and records of the subcontractor. In the event that such request for access is made by any representative of the Federal government, University shall notify County in writing within five (5) business days of receipt of such request.
- 10.3.3 External Audits. In the event that any Federal or State auditor conducts an audit of University and such audit directly concerns or has a material effect on any of the Purchased Services, University shall file a copy of any final audit report prepared by such auditor with County's Auditor-Controller within thirty (30) days of receipt thereof to the extent permitted under this Agreement, or under applicable State or Federal law or regulations.

10.3.3.1 In the event any third party reimbursement to County, whether by Medicare, Medi-Cal, Short-Doyle/Medi-Cal, private or other payers, is denied or reduced due to University's failure to provide the documents set forth in Exhibit 8 (Retention of Records Under this Agreement) for a period of five (5) years following the furnishing of Purchased Services under this Agreement, University shall indemnify County for such losses. Such losses include denial or reduction with respect to individual claims, cost report disallowances, or others.

10.3.4 Contract Compliance Review. During the term of this Agreement or within five (5) years after Clinical Purchased Services are furnished, authorized representatives of each Party may conduct a contract compliance review of the other Party regarding such Clinical Purchased Services and Training Program Costs on the terms and conditions described below.

10.3.4.1 The auditing Party shall provide the other Party with at least ten (10) working days' prior written notice of a compliance review.

10.3.4.2 In the event County representatives conduct a compliance review, University shall cooperate fully with County's representatives. University shall allow County representatives reasonable access to all financial, medical and other records that directly concern Clinical Purchased Services rendered and/or Training Program Costs and may have a material effect on University's performance of its obligations under this Agreement. University shall allow photocopies to be made of these documents using University's photocopier, for which County shall reimburse University promptly for its customary charge for record copying services, if requested. University may withhold information if counsel for University determines that such disclosure is legally precluded. Information obtained through a compliance review shall be subject to the confidentiality requirements of Section 12.13.

10.3.4.3 County may conduct a compliance review of all or a representative sample of payments by County. The compliance review shall be conducted in accordance with County Fiscal Manual guidelines and in accordance with the methodology for measuring Clinical Purchased Services as set forth herein.



10.3.4.4 An exit conference shall be held following the performance of any compliance review at which time the written results shall be discussed between the Parties. The exit conference shall be scheduled at a time mutually agreed upon by County and University. University Representative shall be provided with a copy of any written evaluation reports at or prior to such exit conference.

10.3.4.5 With respect to any compliance review by County resulting in the identification of a purported Performance Failure (as defined in Subsection 7.3.1) by University in its delivery of Clinical Purchased Services:

10.3.4.5.1 During the sixty (60)-day period immediately following the exit conference described in Subsection 10.3.4.4 above, University shall have the opportunity to review County's audit findings.

10.3.4.5.2 If, as a result of such review, University determines to accept County's audit findings regarding one or more purported Performance Failure(s), University shall notify County of the same. In such event (or if University fails to respond to County within such 60-day period), County shall be entitled to withhold from the next quarterly payment otherwise due under Section 7.1 the Forfeited Compensation (as defined in Section 7.3.3) associated with the purported Performance Failure(s), plus Liquidated Damages as described in Subsection 7.3.4.

10.3.4.5.3 Alternatively, if University declines to accept County's audit findings, the Parties shall attempt in good faith to resolve the matter through the Executive Meeting process described in Subsection 9.4.4 above. If the matter remains unresolved following the Executive Meeting process, County shall have the ability to determine how to resolve the matter, including withholding Forfeited Compensation, plus liquidated damages as described in Subsection 10.3.4.5.2.

10.3.5 Record of University Compensation to County Personnel. Upon County providing University with a list of County Personnel, University shall, annually and upon request, identify any individuals on such list who are receiving or have received within the prior twelve (12) months any form of compensation from University, directly or indirectly.

10.3.6 Failure to Comply. Failure of either Party to comply with the provisions of this Section 10.3 shall constitute a material breach of this Agreement.

10.3.7 Notices. Notwithstanding Section 12.29 of this Agreement, any notices or other documentation provided pursuant to this Section 10.3, including audit results and responses, may be sent by electronic mail

## **11. INDEMNIFICATION**

**11.1 Professional Liability Indemnification.** County shall indemnify, defend and hold harmless University and its officers, employees, agents, students, fellows, volunteers and Faculty from and against any and all losses, claims, damages, liabilities and expenses, of every conceivable kind, character, and nature arising out of or connected with, either directly or indirectly, any act or omission or alleged act or omission in the rendering of, or failure to render, health care services or treatment by University and its officers, employees, agents, students, fellows, volunteers and Faculty, at a Primary County Facility or University Hospital in the performance of the Parties' respective obligations pursuant to this Agreement.

University shall give prompt notice to County of any action or claim to which this indemnification applies and University and its officers, employees, agents, students, fellows, volunteers and Faculty receiving such indemnification from County shall fully cooperate with County in any defense, settlement or other disposition of such claim or action. County shall retain full authority to settle such claims for such amounts and in such circumstances as County determines to be in the best interests of County; *provided, however*, that County may, in its discretion, provide prior notice to University and any of its officers, employees, agents, students, fellows, volunteers and Faculty subject to any such action or claim and permit an opportunity for input from such persons prior to entering into any settlement of the same.

### **11.2 Indemnification for Employment Practices.**

11.2.1 By County. To the extent permitted by law and specifically with the exception of punitive damages, County shall indemnify, defend and hold harmless University and its officers, employees, agents, students, fellows, volunteers and Faculty from and against and all losses, claims, damages, liabilities and expenses, including reasonable attorneys' fees and costs, of every conceivable kind, character, and nature arising out of or connected with any County Personnel's acts or omissions, including in the supervision or lack thereof of others, in, or related to the performance of the Parties' respective obligations under this Agreement and resulting in an Employment Practices Claim. An "Employment Practices Claim" shall mean a claim by any person, including but not limited to an employee of the party seeking indemnification, that alleges any wrongful employment action or practice, including but not limited to any claim arising under the California Fair Employment and Housing Act, Title VII of the Civil Rights Act of 1964, The Age Discrimination in Employment Act of 1967, Title I of the Americans with Disabilities Act of 1990, or California Labor Code Section 1102.5, including but not limited to harassment, discrimination, wrongful termination, hostile work environment, failure to prevent harassment/discrimination, and retaliation.

11.2.2 By University. To the extent permitted by law and specifically with the exception of punitive damages, University shall indemnify, defend and hold harmless County and its districts, departments, officers, employees, agents, and representatives from and against and all losses, claims, damages, liabilities and expenses, including

reasonable attorneys' fees and costs, of every conceivable kind, character, and nature arising out of or connected with any University Personnel's acts or omissions, including in the supervision or lack thereof of others, in, or related to the performance of the Parties' respective obligations under this Agreement and resulting in an Employment Practices Claim (as defined in Subsection 11.2.1 above).

11.2.3 Shared Responsibility for Certain Employment Practices Claims Against One Party. Notwithstanding any provision to the contrary in Subsections 11.2.1 and 11.2.2 above, neither Party shall be obligated to defend or indemnify the other party for Employment Practices Claims: (i) arising out of or connected with the acts or omissions of both County Personnel and University Personnel (including Faculty who are not County Personnel) in, or related to, the performance of the Parties' respective obligations under this Agreement; or (ii) arising out of or connected with the acts or omissions of any individual who is concurrently included within both County Personnel and University Personnel ("Concurrent Employee") in, or related to, the performance of the Parties' respective obligations under this Agreement (the "Shared Employment Practices Claims"). An apportionment of what percentage shall be borne by University, and what percentage shall be borne by County, shall be based on the mutual written agreement of the Parties, negotiated and determined in good faith, or in the absence of agreement, in the manner set forth below. In the absence of such written apportionment agreement, the Parties agree as follows:

11.2.3.1 In the instance where only one Party, either County or University, is named as the sole defendant in a Shared Employment Practices Claim, the Parties shall evenly split (50/50) Certain Defense Fees and Costs with payment to be made on a timely basis following presentation of an invoice, within ninety (90) days of the conclusion of the Shared Employment Practices Claim, as prepared by the Party seeking payment that specifies the total amount of fees and costs. For purposes of this Subsection 11.2.3.1, "Certain Defense Fees and Costs" shall mean all legal fees and costs incurred by either County or University as a result of litigation arising from a Shared Employment Practices Claim, and only in the instance when only County or University is the sole defendant in such litigation. To the extent that a Party is the sole defendant in a Shared Practices Claim under this Subsection 11.2.3.1, such Party shall consult with the other Party in the selection of counsel and settlement. The Parties confirm that in the instance where both County and University are both defendants in such litigation, each Party shall bear its own defense fees and costs. Nothing in this section prohibits the Parties from agreeing to share a single defense counsel and evenly split defense

costs in the instance where both County and University are both defendants in a Shared Employment Practices Claim.

11.2.3.2 The Parties shall evenly split (50/50) the cost of any settlement, judgment or award (including any award of costs and attorneys' fees) for a Shared Employment Practices claim, except with respect to any award of punitive damages, which shall remain the sole liability of the Party(ies) subject to such award (the "Employment-Related Indemnity Payments").

11.2.3.3 Within sixty (60) days of the conclusion of the Employment Practices Claim, any party timely complying with its obligations under Subsections 11.2.3.1 and 11.2.3.2 may request an equitable apportionment of the parties' respective liability for Certain Defense Fees and Costs and/or Employment-Related Indemnity Payments. Should the Parties not reach agreement on an apportionment, then either Party may request an apportionment by an arbitrator. Such apportionment shall be made by a single arbitrator in proportion to each Party's respective degree of primary liability or responsibility, applying common and statutory law as well as principles of equity, and shall be final, conclusive and binding on both Parties. The arbitrator shall set forth his or her determination in a written reasoned decision, and any amounts due and owing thereunder shall be paid within ninety (90) days thereof. Each Party shall each bear its own attorneys' fees and costs of the arbitration, except that the fees of the arbitrator shall be evenly split (50/50) between the Parties.

11.2.3.4 County or University, as the case may be, shall each retain full authority to settle such claims against itself for such amounts and in such circumstances as it determines to be in its best interests, and to direct all its litigation from the creation of a discovery plan through any trial and/or appeal, including acting as first chair in trial, notwithstanding defense and/or indemnity by the other Party, including the other Party's payment of Certain Defense Fees And Costs. Notwithstanding the foregoing, the settling Party shall provide prior notice to the other Party and shall permit an opportunity for input from

such other Party prior to entering into any settlement of the subject claims.

### **11.3 Intellectual Property Indemnification.**

11.3.1 Each Party shall indemnify, defend and hold harmless the other Party from and against any and all liability, damages, costs, losses, fees and expenses, including without limitation defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the indemnifying Party's performance of its obligations pursuant to this Agreement, including any products of or tools or methodologies used in connection therewith.

11.3.2 In the event any product of or tool or methodology used in either Party's performance of its obligations pursuant to this Agreement becomes the subject of any complaint, claim or proceeding alleging infringement or unauthorized disclosure, such that the other Party's continued use, benefit, or enjoyment of such item is formally restrained, enjoined or subjected to a risk of damages, the indemnifying Party, at its sole cost and expense, and provided that the other Party's continued use, benefit, or enjoyment of the indemnifying Party's performance is not materially impeded, shall do one or any of the following:

11.3.2.1 Procure for the other Party all rights to continued use of the questioned product, tool or methodology; or

11.3.2.2 Replace the questioned product, tool or methodology with a non-questioned item; or

11.3.2.3 Modify the questioned product, tool or methodology to render it free of claims.

### **11.4 No Requirement to Defend or Indemnify with Regard to Administrative Proceedings.**

Neither County nor University shall be obligated to provide for the defense of any administrative or criminal proceedings brought against any current or former employee of University, any current or former employee of County, or any employee concurrently or formerly employed by both County and University. Neither County nor University shall be obligated to indemnify any current or former employee of County or any employee concurrently or formerly employed by both County and University with regard to costs and expenses associated with such defense. For purposes of this Section 11.4, "administrative proceeding" shall mean any non-judicial proceeding brought by or before any government or administrative agency, including but not limited to proceedings before the Medical Board of California.

### **11.5 General Indemnification**

11.5.1 By County. To the extent not covered by the other indemnification provisions set forth in this Article 11, and to the extent permitted by law and specifically with the exception of punitive damages, County shall indemnify, defend and hold harmless University and its officers, employees, agents, students, fellows and volunteers from and against any and all losses, claims, damages, liabilities and expenses,

including reasonable attorneys' fees and costs, of every conceivable kind, character, and nature, including bodily injury, death, personal injury, property damage or worker's compensation arising out of or connected with, directly or indirectly, County's operations or any activities conducted by, through or on behalf of County at Primary County Facilities, in the performance of County's obligations hereunder.

11.5.2 By University. To the extent not covered by the other indemnification provisions set forth in this Article 11, and to the extent permitted by law and specifically with the exception of punitive damages, University shall indemnify, defend and hold harmless County and its officers, employees, agents, students, fellows and volunteers from and against any and all losses, claims, damages, liabilities or expenses, including reasonable attorneys' fees and costs, of every conceivable kind, character, and nature, including bodily injury, death, personal injury, property damage or worker's compensation arising out of or connected with, either directly or indirectly, University's operations or any activities conducted by, through or on behalf of University, in the performance of University's obligations hereunder.

11.5.3 Other Indemnifications. Additional indemnification responsibilities between the Parties are set forth in Subsections 2.3.3.2 and 3.3.6.2 (indemnification for exclusion from federal health care programs), Subsection 10.3.3.1 (indemnification for certain payment denials or reductions), Article 11 (indemnification), Subsection 12.7.2 (indemnification for non-compliance), Subsection 12.13.3 (indemnification for violation of confidentiality), Subsection 12.18.2 (indemnification for employment eligibility verification), Section 12.19 (indemnification for Fair Labor Standards), Subsection 12.33.1.2 (indemnification for HIPAA violations), Subsection 12.34.2 (indemnification for expenses of defending against certain disclosures under Public Records Act), Subsection 12.40.3 (indemnification for subcontracting) and 12.45 (University's exclusion from participation in a federally funded program). Except as otherwise expressly provided in such sections, all such indemnification obligations shall be subject to the provisions of this Section 11.5 and Section 11.6 below.

## **11.6 Conditions for Indemnification**

11.6.1 Conditions for Defense and Indemnity by County. The following conditions shall apply to any and all of County's defense and indemnity obligations in this Agreement: (i) University shall give prompt notice to County of any action or claim for which it seeks defense or indemnification; and (ii) University and its officers, employees, agents, students, fellows, volunteers and Faculty receiving such defense and/or indemnification from County shall fully cooperate with County in any defense, settlement or other disposition of any claim or action for which defense or indemnification is being provided. County shall retain full authority to settle such claims for such amounts and in such circumstances as County determines to be in its best interests, and to direct all litigation from the creation of a discovery plan through any trial and/or appeal, including acting as first chair in trial, notwithstanding any election by University to retain, at its sole cost and expense, separate counsel for such action or claim; *provided, however,* that County may, in its discretion, provide prior notice to University and any of its officers, employees, agents, students, fellows, volunteers and Faculty subject to

any such action or claim and permit an opportunity for input from such persons prior to entering into any settlement of the same.

- 11.6.2 Additional Conditions for Defense and Indemnity by County at USC Health. Notwithstanding anything to the contrary herein, County shall have no obligation to indemnify, defend or hold harmless University for the rendering of, or failure to render, health care services or treatment by University at USC Health unless all of the following conditions of indemnification are met:

11.6.2.1 The health care services or treatment involved in the claim and the payment by County for such services or treatment were not made under a procurement, contract or arrangement separate from this Agreement;

11.6.2.2 The physician provider involved in the Claim had at the time of the Claim concurrent clinical privileges at USC Health and Primary County Facility;

11.6.2.3 The health care services or treatment at USC Health were approved by County in one or more lists of allowable and approved off-site procedures and treatments, as same may be updated from time to time, by Hospital CMO or his or her designee(s), or as otherwise approved in advance in writing on a case by case basis by Hospital CMO or his or her designee(s); and

11.6.2.4 The health care services or treatment at issue in the claim were linked to ongoing patient care and treatment being provided at Primary Care Facility, or were based on a referral for such care from a County Facility to USC Health.

- 11.6.3 Conditions for Defense and Indemnity by University. The following conditions shall apply to any and all of University's defense and indemnity obligations in this Agreement: (i) County shall give prompt notice to University of any action or claim for which it seeks defense or indemnification; and (ii) County and its officers, employees, agents, students, fellows and volunteers receiving such defense and/or indemnification from University shall fully cooperate with University in any defense, settlement or other disposition of such claim or action. University shall retain full authority to settle such claims for such amounts and in such circumstances as University determines to be in its best interests, and to direct all litigation from the creation of a discovery plan through any trial and/or appeal, including acting as first chair in trial, notwithstanding any election by County to retain, at its sole cost and expense, separate counsel for such action or claim; *provided, however,* that University may, in its discretion, provide prior notice to County and any of its officers, employees, agents, and volunteers subject to any such action or claim and permit an opportunity for input from such persons prior to entering into any settlement of the same.

## **12. ADDITIONAL PROVISIONS**

- 12.1 Effect on Existing Agreements.** This Agreement shall supersede the 2019 MSAA in its entirety. To the extent there are any conflicting terms in the Resident Sharing Agreements that address the billing and payment for time spent by Residents employed by one Party at the facility(ies) of the other Party, Article 5 of this Agreement shall control. Except for the foregoing, the Parties agree that the Existing Agreements otherwise shall remain in effect following the Effective Date per their terms, except as expressly modified hereby.
- 12.2 Amendments.** Except as otherwise provided in this Agreement, for any mutually-agreed change that affects the scope of work, term, contract maximum amount, or any term or condition included under this Agreement, an Amendment shall be prepared by County and then executed by University and by the Governing Body or its authorized designee. Notwithstanding the foregoing, if County fails to timely produce a draft Amendment that accurately and completely reflects the mutual intentions of the Parties, University may prepare and present to County a draft for its review. Without regard to the drafter of any proposed Amendment, both Parties shall act reasonably and in good faith to ensure that mutually-acceptable modifications of the terms and conditions set forth herein are accurately and timely reflected in duly-approved and executed written Amendments accordingly.
- 12.3 Assignment and Delegation/Mergers or Acquisitions.**
- 12.3.1 University shall notify County of any pending acquisitions/mergers of its entity unless otherwise legally prohibited from doing so. If University is restricted from legally notifying County of pending acquisitions/mergers, then it should notify County of the actual acquisitions/mergers as soon as the law allows and provide to County the legal framework that restricted it from notifying County prior to the actual acquisitions/mergers.
- 12.3.2 Neither University nor County shall delegate its duties or assign its rights hereunder this Agreement, or both, either in whole or in part, without the prior written consent of the other Party. Any delegation or assignment which does not have such consent shall be null and void. For purposes of this Subsection 12.3.2, consent shall require a written Amendment to this Agreement, which is formally approved and executed by the Parties. Any payments by County to any approved delegate or assignee on any claim under this Agreement shall be deductible, at County's sole discretion, against the claims, which University may have against County.
- 12.3.3 Any assumption, assignment, delegation, or takeover of any of University's duties, responsibilities, obligations, or performance of same by any entity other than University, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Agreement which may result in the termination of this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against University as it could pursue in the event of default by University.
- 12.3.4 Shareholders, partners, members, or other equity holders of University may transfer, sell, exchange, assign or divest themselves of any interest they may have



therein. However, in the event any such sale, transfer, exchange, assignment or divestment is effected in such a way as to give majority control of University to any person(s), corporation, partnership or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition shall be deemed an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

**12.4 Authorization Warranty.** Both Parties hereby represent and warrant that the person executing this Agreement on behalf of such Party is an authorized agent who has actual authority to bind that Party to each and every term, condition, and obligation set forth in this Agreement and that all requirements of such Party have been fulfilled to provide such actual authority.

**12.5 Campaign Contribution Prohibition.** Pursuant to California Government Code section 84308, University and its agents and subcontractors are prohibited from making a contribution of more than \$500 to any County officer for twelve (12) months after the date of the final decision in the proceeding involving this Agreement.

By executing this Agreement, University represents and warrants that neither it nor any of its agents or subcontractors shall make a contribution of more than \$500 to any County officer for twelve (12) months following the Effective Date of the Agreement.

Failure to comply with the provisions of California Government Code section 84308 and of this Section 12.5 may be a material breach of the Agreement as determined in the sole discretion of County.

**12.6 Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions (2 C.F.R. Part 376).** University hereby acknowledges that County is prohibited from contracting with and making sub-awards to parties that are suspended, debarred, ineligible, or excluded or whose principals are suspended, debarred, ineligible, or excluded from securing federally funded contracts. By executing this Agreement, University certifies that neither it nor any of its owners, officers, partners, directors, other principals, employees, or independent contractors who are providing services under this Agreement are currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Further, by executing this Agreement, University certifies that, to its knowledge, none of its subcontractors, at any tier, or any owners, officers, partners, directors, other principals, employees, or independent contractors of any subcontractor is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. University shall immediately notify County in writing, during the term of this Agreement, should it or any of the aforementioned parties either be suspended, debarred, ineligible, or excluded from securing federally funded contracts. University shall reimburse County for all associated costs (repayment, fine and/or penalty) that may be incurred by County as a result of inappropriate claims submitted by or on behalf of any University staff or vendors who are excluded or suspended regardless of University's prior knowledge of such exclusion or suspension. Failure by University to comply with this provision shall constitute a material breach of this Agreement.

## **12.7 Compliance with Applicable Laws, Rules and Regulations.**

- 12.7.1 Agreement to Comply. In the performance of this Agreement, University and County shall comply with all current and applicable federal, State, and local laws, rules, regulations, ordinances directives, guidelines, policies and procedures, and accreditation and certification standards, including without limitation standards of Joint Commission, its National Patient Safety Goals, California Code of Regulations, Title 22, Division 5, Title IX of the Education Amendments of 1972 and its regulations, and all other applicable industry best practices standards. University shall cooperate with County with respect to applicable provisions of the Section 1115 Waiver of the Social Security Act. All provisions required thereby to be included in this Agreement are incorporated herein by reference.
- 12.7.2 Facility Rules and Regulations. At any time that University Personnel are at any Primary County Facility for provision of services under this Agreement, such University Personnel shall be subject to the rules and regulations of that facility. If County provides or makes available to University a copy of rules and regulations pertaining to the facility upon execution of this Agreement (and future updates to the same), University shall acquaint all University Personnel providing services hereunder with such rules and regulations. University shall immediately and permanently withdraw any University Personnel from the provision of services hereunder upon receipt of written notice from County the DHS Director that: (i) such University Personnel have violated such rules or regulations; or (ii) that actions of such University Personnel while at the County facility may adversely affect the delivery of health care services to County patients.

## **12.8 Compliance with Civil Rights Laws - Anti-Discrimination and Affirmative Action Laws.**

- 12.8.1 University hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17); the Fair Employment & Housing Act, Government Code Section 12920-12922; and Affirmative Action in County Agreements, Chapter 4.32 of the Los Angeles County Code to the end that no person shall, on the grounds of race, color, religious creed, ancestry, national origin, sex, gender, gender identity, gender expression, sexual orientation, age, physical or mental disability, medical condition, marital status, military or veteran status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.
- 12.8.2 University certifies and agrees that all persons employed by it, its affiliates, subsidiaries or holding companies are and shall be treated equally without regard to or because of, race, color, religious creed, ancestry, national origin, sex, gender, gender identity, gender expression, sexual orientation, age, physical or mental disability, medical condition, marital status, military or veteran status, or political affiliation, in compliance with all applicable federal and State anti-discrimination laws and regulations.
- 12.8.3 University certifies to County each of the following:

- 12.8.3.1 The University has a written policy statement prohibiting discrimination in all phases of employment;
  - 12.8.3.2 That University periodically conducts a self-analysis or utilization analysis of its workforce;
  - 12.8.3.3 That University has a system for determining if its employment practices are discriminatory against protected groups; and
  - 12.8.3.4 Where problem areas are identified in employment practices, University has a system for taking reasonable corrective action to include establishment of goals or timetables.
- 12.8.4 University shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religious creed, ancestry, national origin, sex, gender, gender identity, gender expression, sexual orientation, age, physical or mental disability, medical condition, marital status, military or veteran status, or political affiliation, in compliance with all applicable federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 12.8.5 University certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religious creed, ancestry, national origin, sex, gender, gender identity, gender expression, sexual orientation, age, physical or mental disability, medical condition, marital status, military or veteran status, or political affiliation.
- 12.8.6 University certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religious creed, ancestry, national origin, sex, gender, gender identity, gender expression, sexual orientation, age, physical or mental disability, medical condition, marital status, military or veteran status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.
- 12.8.7 University shall allow County representatives access to University's employment records during regular business hours to verify compliance with the provisions of this Section 12.8 when so requested by County. Prior to any such inspection, University may remove personal employee information from such records, which is protected under the employment or privacy laws of the State of California. To the extent any such information may come into the possession of County during such an inspection, County hereby promises to protect same from disclosure to third parties.

12.8.8 If County finds that any provisions of this Section 12.8 have been violated, such violation shall constitute a material breach of this Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that University has violated federal or State anti-discrimination laws or regulations shall constitute a finding by County that University has violated the anti-discrimination provisions of this Agreement.

12.8.9 The Parties agree that in the event University violates any of the anti-discrimination provisions of this Agreement, County shall, at its sole option, be entitled to a sum of Five Hundred Dollars (\$500) for each such violation pursuant to Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Agreement.

12.8.10 University shall certify to, and comply with, the provisions of Exhibit 9 (Contractor's EEO Certification).

**12.9 Compliance with County Policy of Equity.** University acknowledges that 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/>). University further acknowledges that 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. University, its employees and subcontractors acknowledge and certify receipt and understanding of the CPOE. Failure of University, its employees or its subcontractors to uphold County's expectations of a workplace free from harassment and discrimination, including inappropriate conduct based on a protected characteristic, may subject University to termination of contractual agreements as well as civil liability.

**12.10 Compliance with County's Jury Service Program.**

12.10.1 Jury Service Program. This Agreement is subject to the provisions of County's ordinance entitled Contractor Employee Jury Service (“Jury Service Program”) as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit 10 and incorporated by reference into and made a part of this Agreement.

12.10.2 Written Employee Jury Service Policy.

12.10.2.1 Unless University has demonstrated to county's satisfaction either that University is not a “contractor” as defined under the jury service program (Section 2.203.020 of the County Code) or that University qualifies for an exception to the jury service program (Section 2.203.070 of the County Code), University shall have and adhere to a written policy that provides that its employees shall receive from University, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy

may further provide that its employees deposit any fees received for such jury service with University or that University deduct from the employee's regular pay the fee received for jury service.

12.10.2.2 For purpose of this Paragraph, "Contractor" means a person, partnership, corporation, or other entity, which has a contract with County or a subcontract with a County contractor, and has received or will receive an aggregate sum of Fifty Thousand Dollars (\$50,000) or more in any twelve (12) month period under one (1) or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of Contractor; and "full-time" means forty (40) hours or more worked per week, or a lesser number of hours, if: (i) the lesser number is a recognized industry standard as determined by County; or (ii) 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 University uses any subcontractor to perform services for County under this Agreement, the subcontractor shall also be subject to the provisions of this Paragraph. The provisions of this Paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

12.10.2.3 If University is not required to comply with the Jury Service Program when this Agreement commences, University shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and University shall immediately notify County if University at any time either comes within the Jury Service Program's definitions of "Contractor", or if University no longer qualifies for an exception to the Jury Service Program. In either event, University shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during the term of this Agreement and at its sole discretion, that University demonstrate, to County's satisfaction that University either continues to

remain outside of the Jury Service Program's definition of "Contractor" and/or that University continues to qualify for an exception to the Jury Service Program.

12.10.2.4 University's violation of this Paragraph of the Agreement may constitute a material breach of this Agreement. In the event of such breach, County may, in its sole discretion, terminate this Agreement and/or bar University from the award of future County contracts for a period of time consistent with the seriousness of the breach.

**12.11 Compliance with County's Zero Tolerance Policy on Human Trafficking.**

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

12.11.2 If University or any member of University's Personnel is convicted of a human trafficking offense, County shall require that University or such member of University's Personnel be removed immediately from performing services under this Agreement. County shall not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

12.11.3 Disqualification of any member of University's Personnel pursuant to this Section 12.11 shall not relieve University of its obligation to complete all work in accordance with the terms and conditions of this Agreement.

**12.12 Compliance with Fair Chance Employment Practices.** University shall comply with fair chance employment hiring practices set forth in California Government Code Section 12952, Employment Discrimination: Conviction History. University's violation of this Section of the Agreement may constitute a material breach of this Agreement.

**12.13 Confidentiality.**

12.13.1 Notwithstanding any other provision of this Agreement, and to the extent permitted by law, each Party shall maintain the confidentiality of all records and information, including but not limited to billings, reports (including audit reports), and records (including patient records), in accordance with all applicable federal, State and local laws, rules, regulations, ordinances, directives (including Department policy and Medical Staff rules and regulations), guidelines, policies and procedures relating to confidentiality, including without limitation, applicable policies concerning information technology security and the protection of confidential records and information.

12.13.2 University shall: (i) not use any such records or information for any purpose whatsoever other than carrying out the express terms of this Agreement; (ii) promptly transmit to the County all requests for disclosure of any such records or information; (iii) not disclose, except as otherwise specifically permitted by this Agreement, any such records or information to any person or organization other

than County without County's prior written authorization that the information is releasable; and (iv) at the termination of this Agreement, return all such records and information to County or maintain such records and information in accordance with the written procedures that may be provided or made available to University by County for this purpose.

12.13.3 University shall indemnify, defend, and hold harmless County (including, as applicable, its Special Districts, elected and appointed officers, employees, agents and volunteers) from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, administrative penalties and fines assessed, 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 University or its officers, employees, agents, or subcontractors to comply with this Section 12.13, subject to the provisions of Section 11 (Indemnification).

12.13.4 University shall make reasonable efforts to inform its officers, employees, agents, and subcontractors providing services hereunder or participating in University's performance of its obligations hereunder of the confidentiality provisions of this Agreement.

12.13.5 University shall sign and adhere to the provisions of Exhibit 11 (Contractor Acknowledgement and Confidentiality Agreement) on behalf of University and all of its employees, subcontractors, agents and other persons who may provide work for or on behalf of University under this Agreement.

#### **12.14 Conflict of Interest.**

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

12.14.2 University shall comply with all conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the term of this Agreement. University warrants that it is not now aware of any facts which create a conflict of interest. If University hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make a full written disclosure of such facts to County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with this Section 12.14 shall be a material breach of this Agreement.

#### **12.15 Contractor Responsibility and Debarment.**

12.15.1 Responsible Contractor. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity,

and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.

12.15.2 Chapter 2.202 of the County Code. University is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of University on this or other agreements which indicates that University is not responsible, County may, in addition to other remedies provided under the Agreement, debar University from bidding or proposing on, or being awarded, and/or performing work on County agreements for a specified period of time not to exceed five (5) years, and terminate any or all existing agreements University may have with County.

12.15.3 Non-Responsible Contractor. County may debar a contractor if the Governing Body finds, in its discretion, that the contractor has done any of the following: (i) violated a term of an agreement with County or a nonprofit corporation created by County; (ii) committed any act or omission which negatively reflects on University's quality, fitness, or capacity to perform an agreement with County, or engaged in a pattern or practice which negatively reflects on same; (iii) committed an act or offense which indicates a lack of business integrity or business honesty; or (iv) made or submitted a false claim against County or any other public entity.

12.15.4 Contractor Hearing Board.

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

12.15.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. University or University's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether University should be debarred, and, if so, the appropriate length of time of the debarment. University and the DHS shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Governing Body.

12.15.4.3 After consideration of any objections, or if no objections are submitted, a record of hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Governing Body.



The Governing Body shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

12.15.4.4 If a contractor has been debarred for a period longer than five (5) years, that contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. 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: (i) elimination of the grounds for which the debarment was imposed; (ii) a bona fide change in ownership or management; (iii) material evidence discovered after debarment was imposed; or (iv) any other reason that is in the best interests of County.

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

12.15.4.6 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the

proposed decision and recommendation of the Contractor Hearing Board.

12.15.5 Subcontractors of Contractor. These terms shall also apply to subcontractors of University.

**12.16 Counterparts; Electronic Signatures and Representations.** This Agreement and any Amendments or modifications thereto may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties hereby agree to regard appropriate facsimile or digital representations of original signatures of authorized officers of each Party on the Agreement related documents, received via an electronic communicative (facsimile, email or electronic signature), as legally sufficient evidence that legally binding signatures have been affixed to such documents.

**12.17 Damage to County Facilities, Buildings and Grounds.**

12.17.1 University shall repair, or cause to be repaired, at its own cost and expense, any and all damage other than normal wear and tear to County facilities, buildings or grounds caused by University Personnel during performance of Clinical Purchased Services under this Agreement. Such repairs shall be made immediately after University has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

12.17.2 If University fails to make timely repairs, County may make any necessary repairs. All costs reasonably incurred by County for such repairs shall be repaid by University by cash payment upon demand.

12.17.3 County reserves the unilateral right to make any repairs that DHS Director or authorized designee determines, upon sole discretion, to be a public safety issue requiring immediate repair. County, at its option, shall bill University for the cost of such repairs and/or deduct the cost of such repairs from any outstanding amounts owed by County to University.

**12.18 Employment Eligibility Verification.**

12.18.1 Each Party warrants that it fully complies with all federal and State statutes and regulations regarding employment of aliens and others, and that all its employees performing work under this Agreement meet the citizenship or alien status requirements contained in federal and State statutes and regulations. Each Party shall obtain, from all of its personnel performing work hereunder, all verification and other documentation of employment eligibility status required by federal and State statutes and regulations, including without limitation the Immigration Reform and Control Act of 1986 (P.L. 99-603), or as they currently exist and as they may be hereafter amended. Each Party shall retain all such documentation for all covered employees for the period prescribed by law.

12.18.2 Each Party shall indemnify, defend, and hold harmless, the other Party, its agents, officers, and employees from employer sanctions and any other liability that may be assessed against University or 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 Agreement.

**12.19 Fair Labor Standards.** Each Party shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify the other Party for any violations of this obligation.

**12.20 Interruption of Service.** Except as otherwise provided in Section 12.32, either Party shall be excused from any delay or failure in performance hereunder caused by reasons of any occurrence or contingency beyond its reasonable control, including acts of God, acts of war, fire, insurrection, labor disputes, riots, earthquakes, or other acts of nature. The obligations and rights of the other Party so excused shall be extended on a day-to-day basis for the duration of such excusable interruption; *provided, however*, that if the interruption of a Party's services continues for a period in excess of thirty (30) days, the other Party (the Non-Subject Party) may deem such circumstances to be an Event of Termination pursuant to Subsection 9.3.4.

**12.21 Governing Law, Jurisdiction and Venue.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. University agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in Los Angeles County.

**12.22 Independent Contractor Status.**

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

12.22.2 University shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Agreement all compensation and benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of University. Consistent with the foregoing, County shall have no liability, and University shall be solely and fully liable and responsible, to any of University's employees, subcontractors or other persons providing work under this Agreement on behalf of University, if any such person is unable to work or is required to stop working (permanently or temporarily) as a result of the person's exposure to an infectious disease or other hazard while performing work pursuant to the Agreement, even if such person complied with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, including those relating to the work site. Nothing in this paragraph is intended in any way to alter or release University from obligation to obtain and maintain the requisite workers' compensation coverage pursuant to Subsection 2.7.2 of this Agreement.

12.22.3 University understands and agrees that all persons performing work pursuant to this Agreement are, for purposes of Workers' Compensation liability, solely

employees of University and not employees of County. University shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of University pursuant to this Agreement.

- 12.23 Injury and Illness Prevention Program.** University shall be required to comply with the State of California's Cal OSHA's regulations. University hereby acknowledges that California Code of Regulations Title 8 Section 3203 requires all California employers to have a written, effective Injury and Illness Prevention Program that addresses hazards pertaining to the particular workplace covered by such program.
- 12.24 Investigations and Claims.** Each Party shall cooperate regarding outside investigations of the other Party and the defense or pursuit of third party claims by such other Party as reasonably requested by the other Party as it relates to this Agreement. In such circumstances, each Party shall comply with the other Party's reasonable request to make available information and records in connection with the investigation or claims, including access to such Party's electronic health record system if and as appropriate based on the nature of the investigations or claims, and pursuant to a joint defense agreement. Compliance with this provision by either Party shall not constitute a waiver of the attorney-client privilege, and all provision of access to information and records shall be undertaken in a manner compliant with applicable law.
- 12.25 Licenses, Permits, Registrations, Accreditations, and Certificates.** University and County, respectively, shall obtain and maintain in effect during the term of this Agreement all appropriate licenses, permits, registrations, accreditations, and certificates required by law that are applicable to its performance of this Agreement, and shall ensure that all of its officers, employees and agents who perform services under this Agreement obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates required by law that are applicable to their performance of services. All such licenses, permits, registrations, accreditations, and certifications relating to services hereunder shall be made available to County or University, respectively, upon request.
- 12.26 Merger and Integration Provision.** All exhibits, attachments and addenda to this Agreement are incorporated herein. Subject only to the Existing Agreements, this Agreement fully expresses all understandings of the parties concerning all matters covered and shall constitute the entire Agreement of the Parties, superseding any prior agreements between the Parties regarding its subject matter. Except as expressly provided in this Agreement, no addition to or alteration of the terms of this Agreement, whether by written or oral understanding of the parties, their officers, agents or employees, shall be valid unless made in the form of a written Amendment to this Agreement which is formally approved and executed by the Parties.
- 12.27 No Intent to Create a Third Party Beneficiary Contract.** Notwithstanding any other provision of this Agreement, the Parties do not in any way intend that any person shall acquire any rights as a third party beneficiary to this Agreement.
- 12.28 Non-Exclusivity.** Nothing herein is intended nor shall be construed as creating any exclusive arrangement between the Parties. This Agreement shall not restrict County from acquiring similar, equal, or like goods and/or services from other entities or sources.

**12.29 Notices.** Unless otherwise specified in this Agreement, all notices or demands required or permitted to be given or required under this Agreement shall be in writing and shall be deemed given upon transmission by e-mail and either: (i) hand delivery; or (ii) deposit of the same in the United States registered or certified mail, first-class postage and fee prepaid, and correctly addressed to the Party for whom it is intended at the following addresses:

If to County:

Director, Department of Health Services  
County of Los Angeles  
313 North Figueroa Street, Room 908  
Los Angeles, California 90012

with a copy to:

Office of the County Counsel  
Attn: Health Services Division  
500 West Temple Street, 6th Floor  
Los Angeles, California 90012

If to University:

Senior Vice President for Health Affairs  
University of Southern California  
1510 San Pablo Street, HCC 600  
Los Angeles, California 90033

with a copy to:

Office of the General Counsel  
Attn: General Counsel  
University of Southern California  
University Park, Administration 352  
3551 Trousdale Parkway  
Los Angeles, California 90089-5013

or at such other place or places as may from time to time be specified in a notice similarly given. Each Party shall at all times keep the other Party notified of its current address and shall promptly notify the other Party of any change of address.

**12.30 Notice to Employees Regarding the Federal Earned Income Credit.** University shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

**12.31 Safely Surrendered Baby Law.**

12.31.1 University shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the

Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. Posters and other campaign materials are available on the Internet at [www.babysafela.org](http://www.babysafela.org).

12.31.2 University acknowledges that it is County's policy to encourage all County contractors to voluntarily post County's "Safely Surrendered Baby Law" poster in a prominent position at the contractor's place of business. University shall encourage its subcontractors, if any, to post this poster in a prominent position at University's place of business.

**12.32 Performance During Emergencies/Force Majeure Events.** University recognizes that healthcare facilities maintained by County, including the Primary County Facilities, provide care essential to the residents of the communities they serve and that these Primary County Facilities may be of particular importance at the time of a fire, flood, epidemic, quarantine restriction, riot, insurrection, civil unrest, natural disaster/occurrence, strike, lockout, freight embargo or other similar event (hereinafter in this Section 12.32 each such event is referred to as an "emergency" or "force majeure event"). Notwithstanding any other provision of this Agreement, full performance by University during any emergency shall not be excused if such performance remains physically possible, unless otherwise directed by County. Failure by University to comply with this requirement shall be considered a material breach by University. In the event University's failure to perform arises as a result of an emergency, University shall use commercially reasonable best efforts to obtain services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delays caused by such emergency/force majeure event.

**12.33 Protection of Medical Information.**

12.33.1 Health Insurance Portability and Accountability Act Compliance. University acknowledges the existence of the Health Insurance Portability and Accountability Act of 1996 (hereinafter "HIPAA") and its implementing regulations. University further acknowledges and agrees that, as a provider of Clinical Purchased Services under this Agreement, it has obligations with respect to the confidentiality, privacy and security of patient' medical information (also, "PHI" under HIPAA) and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of its staff and the establishment of proper procedures for the release of such information, including the use of appropriate consents and authorizations specified under HIPAA. University, therefore, agrees that:

12.33.1.1 University and any University Personnel providing Clinical Purchased Services under this Agreement shall preserve the confidentiality of PHI and shall comply with all other obligations and provisions relating to HIPAA; and

12.33.1.2 University shall indemnify and hold harmless County (including its officers, employees, agents and volunteers) for any damages to County that may be attributable to failure to preserve the confidentiality of PHI or

to comply with the applicable obligations under HIPAA.

12.33.2 Confidentiality of Medical Information Act. University acknowledges that County is subject to the Confidentiality of Medical Information Act, California Civil Code Section 56 et seq., which protects the confidentiality of individually identifiable medical information obtained by health care providers. As a contractor of County, University shall comply with the Confidentiality of Medical Information Act and shall not disclose any stored or accessible medical information regarding a patient, enrollee or subscriber.

12.33.3 Remedies. Failure on the part of University to comply with any of the provisions of this Section 12.33 shall constitute a material breach of this Agreement and may constitute an Event of Immediate Termination pursuant to Section 9.3, provided that County invokes Section 9.3 and notifies University within thirty (30) days of the date of DHS' completion of its investigation of any specific instance of University's non-compliance with this Section 12.33. County's decision not to invoke Section 9.3 will not impact or otherwise limit County's rights under this Agreement to take any other action based on University's material breach. Consistent with Section 12.50, County's decision not to invoke Section 9.3 shall not be construed as a waiver of its right to do so for any other failure on the part of the University to comply with this Section 12.33. University also acknowledges and agrees that due to the unique nature of the sensitive information addressed in this Section 12.33 there can be no adequate remedy at law for any breach of University's obligations hereunder, and, therefore, upon any such breach or any threat thereof, County shall 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 County might have at law, equity, or as otherwise set forth in this Agreement.

#### **12.34 Public Records Act.**

12.34.1 Any documents submitted by University; all information obtained in connection with County's right to audit and inspect University's documents, books and accounting records provided pursuant to Section 10.3 (Records and Audits) of this Agreement; as well as any documents that may have been submitted in response to a solicitation resulting in this Agreement, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements identified in the California Government Code Section 7921.000 et seq. (hereinafter "Public Records Act") and which are marked "trade secret", "confidential" or "proprietary". County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law or by an order issued by a court of competent jurisdiction.

12.34.2 In the event 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 any response to a solicitation resulting in this Agreement, which is marked as "trade secret", "confidential" or "proprietary", University agrees to defend and indemnify County from all costs and expenses, including reasonable

attorney's fees, in action or liability arising under the Public Records Act, subject to the provisions of Section 11 (Indemnification) hereunder.

**12.35 Recycled-Bond Paper.** Consistent with the Governing Body's policy to reduce the amount of solid waste deposited at County landfills, University agrees to use recycled-content paper to the maximum extent possible in connection with the performance of University's obligations pursuant to this Agreement.

**12.36 Reporting of Child/Elder and Dependent Adult Abuse.**

12.36.1 University staff working on this Agreement shall comply with California Penal Code Section 11164 et seq., shall report all known and suspected instances of child abuse to an appropriate child protective agency, as mandated by these code sections and shall submit all required information, in accordance with the Penal Code Sections 11166 and 11167.

12.36.2 University staff working on this Agreement shall comply with California Welfare & Institutions Code Section 15600 et seq. and shall report all known or suspected instances of physical abuse of elders and dependent adults either to an appropriate County adult protective services agency or to a local law enforcement agency, as mandated by these code sections. University staff working on this Agreement shall make the report on such abuse, and shall submit all required information, in accordance with Welfare & Institutions Code Sections 15630, 15633 and 15633.5.

12.36.3 University staff's failure to report as required is considered a breach of this Agreement subject to immediate termination and is also a misdemeanor, punishable by up to one year in jail, a fine of up to \$5,000, or both.

**12.37 Restrictions on Lobbying.** If any Federal funds are to be used to pay for University's services under this Agreement, University shall comply with all certifications and disclosure requirements prescribed by Section 319, Public Law 101-121 (31 U.S.C. § 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds provided under this Agreement also fully comply with all such certifications and disclosure requirements.

**12.38 Section and Paragraph References.** Throughout this Agreement, each Section reference includes any Subsection, and each Paragraph reference includes any Subparagraph.

**12.39 Staff Performance While Under the Influence.** University shall use its reasonable efforts to ensure that none of its personnel shall perform services under this Agreement while under the influence of any alcoholic beverage, medication, narcotic or other substance that might impair their physical or mental performance.

**12.40 Subcontracting.**

12.40.1 The requirements of this Agreement may not be subcontracted by University without the advance written approval of County. Any attempt by University to subcontract any performance, obligation, or responsibility under this Agreement, without the prior written consent of County shall be null and void and shall constitute a material breach of this Agreement, and may constitute an Event of Immediate Termination pursuant to Section 9.3, provided that County invokes



Section 9.3 and notifies University within thirty (30) days of the date of DHS' completion of its investigation of any specific instance of University's non-compliance with this Section 12.40. County's decision not to invoke Section 9.3 will not impact or otherwise limit County's rights under this Agreement to take any other action based on University's material breach. Consistent with Section 12.50, County's decision not to invoke Section 9.3 shall not be construed as a waiver of its right to do so for any other failure on the part of the University to comply with this Section 12.40. Each Party shall notify all of its potential subcontractors of the provisions of this Section 12.40.

12.40.2 If University desires to subcontract, University shall provide the following information promptly at County's request:

12.40.2.1 A detailed description of the work to be performed by the proposed subcontractor;

12.40.2.2 A draft copy of the proposed subcontract, unless otherwise instructed by County; and

12.40.2.3 Other pertinent information and/or certifications requested by County.

12.40.3 Notwithstanding any provision of this Agreement to the contrary, University shall indemnify, defend, and hold harmless County and County's officers, employees and agents, from and against any and all claims, demands, liabilities, damages, costs and expenses, including without limitation defense costs and legal, accounting or other expert consulting or professional fees, in any way arising from or related to University's use of any subcontractor in the same manner and to the same degree as if such subcontractor(s) were University employees.

12.40.4 Notwithstanding County's consent to subcontract, in addition to the provisions under the Agreement that specifically apply to subcontractors, University shall ensure that each subcontractor engaged for provision of Clinical Purchased Services hereunder complies with the following provisions:

- a. § 12.13 (Confidentiality)
- b. § 12.7 (Compliance with Applicable Laws, Rules and Regulations)
- c. § 12.8 (Compliance with Civil Rights Laws – Anti-Discrimination and Affirmative Action Laws)
- d. § 12.14 (Conflict of Interest)
- e. § 12.17 (Damage to County Facilities, Buildings and Grounds)
- f. § 12.33 (Protection of Medical Information)
- g. § 11 (Indemnification)
- h. § 2.7 (Insurance Coverage)

j. § 12.25 (Licenses, Permits, Registrations, Accreditations and Certificates)

k. § 10.3 (Records and Audits)

12.40.5 University shall ensure that each proposed subcontractor is appropriately qualified for the provision of the Clinical Purchased Services for which such subcontractor is being engaged and shall remain fully responsible for all performances required of it under this Agreement, including those that University has determined to subcontract, notwithstanding County's approval of University's proposed subcontract. Furthermore, subcontracting of any Clinical Purchased Services under this Agreement shall not be construed to limit, in any way, University's performance, obligations or responsibilities to County or limit, in any way, any of County's rights or remedies contained in this Agreement.

12.40.6 County's consent to subcontract shall not waive County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Agreement. University is responsible to notify its subcontractors of this County right.

12.40.7 DHS Director or his/her designee is authorized to act for and on behalf of County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by County, University shall forward a fully executed subcontract to County for its files.

12.40.8 University shall be solely liable and responsible for all payments and other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding County's consent to subcontract.

12.40.9 University shall obtain certificates of insurance, which establish that either: (i) the proposed subcontractor maintains all the programs of insurance required under this Agreement; or (ii) University has procured such insurance coverage for the proposed subcontractor. Before any subcontractor employee may perform any such work hereunder, University shall ensure delivery of all such documents to the e-mail address of (cgcontractorinsurance@dhs.lacounty.gov).

**12.41 Termination for Insolvency.** County may terminate this Agreement in the event of any of the following:

12.41.1 University becomes insolvent, meaning that 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 University is insolvent within the meaning of the Federal Bankruptcy Code;

12.41.2 A voluntary or involuntary petition regarding University is filed under the Federal Bankruptcy Code;

12.41.3 A Receiver or Trustee is appointed for University; or

12.41.4 University executes a general assignment for the benefit of creditors.

In the event of any of the foregoing, the rights and remedies of County provided in this Section 12.41 shall not be exclusive and shall be in addition to any other rights and remedies provided by law or under this Agreement.

**12.42 Termination for Non-Adherence of County Lobbyist Ordinance.** University and each County lobbyist or County lobbying firm, as defined in County of Los Angeles Code Section 2.160.010, retained by University, shall fully comply with the County Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of University or any County lobbyist or County lobbying firm retained by University to fully comply with the County Lobbyist Ordinance shall constitute a material breach.

**12.43 Time Off For Voting.** University shall notify its employees, and shall 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 subcontractor shall 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.

**12.44 University's Charitable Activities Compliance.** The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring contractors to complete Exhibit 13 (Charitable Contributions Certification), County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect County and its taxpayers. Any solicitation or receipt by University of charitable contributions that does not comply with its obligations under California law shall constitute a material breach of this Agreement and may further subject University to debarment proceedings. (County Code Chapter 2.202).

**12.45 University's Exclusion from Participating in a Federally Funded Program.**

12.45.1 University hereby warrants that neither it nor any of its subcontractors' owners, officers, partners, directors, other principals, employees or independent contractors is restricted, suspended, or excluded from providing services under any health care program funded by the Federal government, directly or indirectly, in whole or in part, (which includes Medicare, Medi-Cal and Healthy Families) and that University will notify DHS Director within ten (10) calendar days in writing of: (i) any event that would require University or any of the aforementioned parties' mandatory exclusion from participation in a federally funded health care program; and (ii) any exclusionary or suspension action taken by any agency of the federal or State governments against any of the aforementioned parties barring these parties from participating in a federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

12.45.2 University shall indemnify and hold County harmless against any and all loss or damage County may suffer arising from any exclusion or suspension of University or its subcontractors' owners, officers, partners, directors, other principals, employees or independent contractors from such participation in a federally funded health care program subject to the provisions of Section 11 (Indemnification) of this Agreement.

12.45.3 Failure by University to meet the requirements of this Section 12.45 shall constitute a material breach of this Agreement and shall constitute grounds upon which County may terminate this Agreement immediately as provided in Subsection 9.3.1.

**12.46 University's Warranty of Adherence to County's Child Support Compliance Program.**

12.46.1 University acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through contract are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

12.46.2 As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting University's duty under this Agreement to comply with all applicable provisions of law, University warrants that it is now in compliance and shall during the term of this Agreement maintain in compliance with employment and wage reporting requirements as required by the federal Social Security Act [(42 USC Section 653(a)] and California Unemployment Insurance Code Section 1088.55, and shall implement all lawfully served Wage and Earnings Withholdings Orders or Child Support Services Department 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).

12.46.3 Failure of University to maintain compliance with the requirements set forth in this Section 12.46 shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of University to comply with this Section 12.46 and cure within ninety (90) calendar days of written notice shall constitute a material breach of this Agreement and may further subject University to debarment pursuant to County Code Chapter 2.202.

**12.47 University's Warranty of Compliance with County's Defaulted Property Tax Reduction Program.**

12.47.1 University 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.

12.47.2 Unless University qualifies for an exemption or exclusion, University warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Agreement will maintain compliance, with Los Angeles Code Chapter 2.206.

12.47.3 Failure of University to maintain compliance with the requirements set forth in this Section 12.47 shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of University to comply with this Section 12.47 and cure such

default within ten (10) days of notice shall constitute a material breach of this Agreement and may further subject University to debarment pursuant to County Code Chapter 2.206.

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

**12.49 Severability.** If any provision of this Agreement, including all the exhibits, attachments and addenda hereto, or the application thereof to any person or circumstance, is held to be illegal, invalid, or unenforceable, the remainder of the Agreement and the application of such provision to other persons or circumstances shall not be affected, except as otherwise provided in this Section 12.49. If such invalidation has the effect of materially altering the obligations of either Party, then the Parties shall diligently seek to amend the Agreement to restore the prior balance of obligations. If the Parties are unable to agree on such Amendment within forty-five (45) days following notice of the invalidation, then the impaired Party may deem the invalidation an Event of Termination under Subsection 9.3.5, without fault of or breach by either Party. The rights and remedies provided herein shall not be exclusive and are in addition to any other rights and remedies in law or equity.

**12.50 Waiver.** No waiver by County, express or implied, of any breach of any provision of this Agreement shall constitute a waiver of any other breach or of such provision. Failure of County to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Section 12.50 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

**12.51 Warranty Against Contingent Fees.**

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

12.51.2 Any breach of this warranty shall constitute a material breach of this Agreement. In addition, County in its sole discretion shall be permitted to deduct from payments made under this Agreement, and, at its sole discretion, deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

**12.52 County's Quality Assurance Plan.**

County or its agent will monitor University's performance under this Agreement, which will include assessing University's compliance with all Agreement terms and conditions

and performance standards, as further specified in this Agreement. University deficiencies which County determines are significant or continuing and that may place performance of the Agreement 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 County and University. If improvement does not occur consistent with the corrective action measures, County may terminate this Agreement or impose other penalties if and as expressly provided in this Agreement. Notwithstanding the foregoing, any Performance Failures in connection with the delivery of Clinical Purchased Services shall be addressed via the process described in Section 7.3 above.

IN WITNESS WHEREOF, Contractor has executed this Agreement, or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Agreement to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR:

UNIVERSITY OF SOUTHERN CALIFORNIA

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Title: \_\_\_\_\_

COUNTY OF LOS ANGELES

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Title: Chair, Board of Supervisors

ATTEST:

\_\_\_\_\_  
Executive Officer  
Clerk of the Board of Supervisors

By: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
County Counsel

By: \_\_\_\_\_  
Deputy County Counsel

## EXHIBIT 1

### Training Programs

The following shall constitute Training Programs that are subject to this Agreement:

<u>Code</u>	<u>Specialty</u>
0200521065	Allergy and immunology
0400521018	Anesthesiology
0410531036	Adult cardiothoracic anesthesiology
0450504095	Critical care medicine (Anesthesiology)
0600521042	Colon and rectal surgery
0800511015	Dermatology
1100512005	Emergency medicine
1120511003	Emergency medical services
1380514003	Interventional pulmonology
1400521044	Internal medicine
1410514292	Cardiovascular disease
1430521041	Endocrinology, diabetes, and metabolism
1440521053	Gastroenterology
1460521042	Infectious disease
1480521042	Nephrology
1500521031	Rheumatology
1510521114	Geriatric medicine (Internal medicine)
1520512003	Interventional cardiology
1540521106	Clinical cardiac electrophysiology
1550514003	Hematology and medical oncology
1560531004	Pulmonary disease and critical care medicine
1580514044	Transplant hepatology
1590514048	Advanced heart failure and transplant cardiology
1600521009	Neurological surgery
1800521011	Neurology
1840518002	Epilepsy
1870521059	Clinical neurophysiology
1880518044	Vascular neurology
2000521105	Nuclear medicine
2200511036	Obstetrics and gynecology
2250522001	Gynecologic oncology
2300522007	Maternal-fetal medicine
2350522006	Reproductive endocrinology and infertility
2360522006	Complex family planning
2400521025	Ophthalmology
2600521193	Orthopaedic surgery
2630521039	Hand surgery (Orthopaedic surgery)
2800521015	Otolaryngology - Head and Neck Surgery
2860528017	Neurotology
3000521033	Pathology-anatomic and clinical
3010531053	Selective pathology
3070521063	Cytopathology
3100512002	Forensic pathology
3110521017	Hematopathology



3150511003	Neuropathology
3200511030	Pediatrics
3290521004	Neonatal-perinatal medicine
3350513072	Pediatric infectious diseases
3600521118	Plastic surgery
3620521118	Plastic Surgery - Integrated
4000511023	Psychiatry
4050511010	Child and adolescent psychiatry
4060531002	Forensic psychiatry
4090540062	Consultation-liaison psychiatry
4150542007	Interventional radiology - independent
4160500008	Interventional radiology - integrated
4200511021	Radiology-diagnostic
4230521024	Neuroradiology
4300511007	Radiation oncology
4400511039	Surgery
4420531058	Surgical critical care
4500521094	Vascular surgery - independent
4510512011	Vascular surgery - integrated
4600522011	Thoracic surgery - independent
4610512074	Thoracic surgery - integrated
4800521021	Urology
4860548003	Female pelvic medicine and reconstructive surgery (Urology)
5200514097	Sleep medicine (multidisciplinary)
5300504111	Pain medicine (multidisciplinary)
5500518005	Neurocritical care (multidisciplinary)
7000532005	Internal medicine/Pediatrics

## **EXHIBIT 2**

### **Primary County Facilities**

Purchased Services are provided under this Agreement in the following locations:

1. Los Angeles General Medical Center
2. El Monte Comprehensive Health Center
3. Edward R. Roybal Comprehensive Health Center
4. H. Claude Hudson Comprehensive Health Center
5. Juvenile Court Health Services
6. Rancho Los Amigos National Rehabilitation Center
7. Martin Luther King, Jr. Outpatient Center
8. Olive View – UCLA Medical Center
9. County of Los Angeles, Department of Mental Health Outpatient Clinics

## EXHIBIT 3

### AAMC Uniform Clinical Training Affiliation Agreement

#### AAMC UNIFORM CLINICAL TRAINING AFFILIATION AGREEMENT

WHEREAS, the purpose of this AGREEMENT is to guide and direct the parties respecting their affiliation, working arrangements, and agreements in furtherance thereof to provide high-quality clinical learning experiences for medical students in the SCHOOL.

WHEREAS, this AGREEMENT is intended and shall be interpreted to meet the SCHOOL's accreditation standards related to affiliation agreements with clinical affiliates which require at a minimum:

- The HOST AGENCY will provide medical student, and faculty if applicable, access to appropriate resources for medical student education.
- The SCHOOL is ultimately responsible for the medical education program, academic affairs, and the assessment of medical students.
- The SCHOOL is primarily responsible for the appointment and assignment of faculty members with responsibility for medical student teaching.
- Specification of the responsibility for treatment and follow-up when a medical student is exposed to an infectious or environmental hazard or other occupational injury.
- The shared responsibility of the SCHOOL and HOST AGENCY for creating and maintaining an appropriate learning environment.

WHEREAS, neither party intends for this AGREEMENT to alter in any way its respective legal rights or its legal obligations to any third party.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties identified in the AAMC Uniform Clinical Training Affiliation Agreement Implementation Letter agree as follows:

#### A. Responsibilities of the SCHOOL

1. The SCHOOL will plan and determine the adequacy of the educational experience of the students in theoretical background, basic skill, professional ethics, attitude and behavior and shall assign to the HOST AGENCY only those students who have satisfactorily completed the prerequisite didactic portions of the SCHOOL's curriculum.

2. The SCHOOL will retain ultimate responsibility for the education and assessment of its students. The School's representative for this Agreement shall be a faculty member appointed and assigned by the SCHOOL, who will be responsible for medical student teaching and assessment provided pursuant to this Agreement.

3. The SCHOOL will advise all students assigned to the HOST AGENCY facilities regarding the confidentiality of patient/client records and patient/client information imparted during the training experience. The SCHOOL will also advise all students that the confidentiality requirements survive the termination or expiration of this AGREEMENT.

4. The SCHOOL will require all participating students to maintain health insurance and provide proof of health insurance to the School. The HOST AGENCY may request the student provide proof of health insurance prior to beginning of the training experience.

5. The SCHOOL will require all participating students to have completed an appropriate criminal background check, and to have documented appropriate immunizations on file with the SCHOOL. If applicable, the HOST AGENCY shall notify the student of any requests for evidence of criminal background test or immunization. The SCHOOL will inform the student of his/her responsibility to provide evidence to the HOST AGENCY of any required criminal background checks or immunizations, when requested. The HOST AGENCY shall notify the SCHOOL of its requirements of an acceptable criminal background check and required immunizations. The SCHOOL will also inform students that they may be required to undergo a drug test or other similar screening tests pursuant to the HOST AGENCY'S policies and practices, and that the cost of any such test will be paid by the student, if not the HOST AGENCY.

6. The SCHOOL will advise students that they are required to comply with HOST AGENCY rules, regulations, and procedures.

7. If requested by the HOST AGENCY, the SCHOOL will provide instruction to the HOST AGENCY'S staff with respect to the SCHOOL's expectations regarding assessment of the SCHOOL'S students at the HOST AGENCY.

8. The SCHOOL warrants and represents that it provides occurrence-based liability insurance or self-insurance for its students with limits of at least \$1,000,000 per occurrence and \$3,000,000 annual aggregate. However, if the SCHOOL is a public entity entitled to governmental immunity protections under applicable state law, then the SCHOOL shall provide occurrence-based liability coverage in accordance with any limitations associated with the applicable law; but the SCHOOL shall provide such insurance with limits of at least \$1,000,000 per occurrence and \$3,000,000 annual aggregate in the event

governmental immunity protections are determined by a court of competent jurisdiction to not apply. If requested by the HOST AGENCY, the SCHOOL shall provide a certificate of insurance demonstrating coverage for students completing clinical training at the HOST AGENCY.

## **B. Responsibilities of the HOST AGENCY**

1. The HOST AGENCY has a responsibility to maintain a positive, respectful, and adequately resourced learning environment so that sound educational experiences can occur. Therefore, the HOST AGENCY will provide students and faculty with access to appropriate resources for medical student education including: a) access to patients at HOST AGENCY facilities in an appropriately supervised environment, in which the students can complete the SCHOOL's curriculum; b) student security badges or other means of secure access to patient care areas; c) access and required training for medical students in the proper use of electronic medical records or paper charts, as applicable; d) computer access; e) secure storage space for medical students' personal items when at the HOST AGENCY; and f) access to call rooms, if necessary.

2. The HOST AGENCY will retain full authority and responsibility for patient care and quality standards, and will maintain a level of care that meets generally accepted standards conducive to satisfactory instruction. While in HOST AGENCY's facilities, students will have the status of trainees; are not to replace HOST AGENCY staff; and, are not to render unsupervised patient care and/or services. All services rendered by students must have educational value and meet the goals of the medical education program. HOST AGENCY and its staff will provide such supervision of the educational and clinical activities as is reasonable and appropriate to the circumstances and to the student's level of training.

3. The HOST AGENCY staff will, upon request, assist the SCHOOL in the assessment of the learning and performance of participating students by completing assessment forms provided by the SCHOOL and returned to the SCHOOL in a timely fashion.

4. The HOST AGENCY will provide for the orientation of SCHOOL's participating students as to the HOST AGENCY'S rules, regulations, policies, and procedures.

5. The HOST AGENCY agrees to comply with applicable state and federal workplace safety laws and regulations. In the event a student is exposed to an infectious or environmental hazard or other occupational injury (i.e., needle stick) while at the HOST AGENCY, the HOST AGENCY, upon notice of such incident from the student, will provide such emergency care as is provided its employees, including, where applicable: examination and evaluation by HOST AGENCY's emergency department or other appropriate facility as soon as possible after the injury; emergency medical care immediately following the injury as necessary; initiation of the HBV, Hepatitis C (HCV), and/or HIV protocol as necessary; and HIV counseling and appropriate testing as necessary. In the event that HOST AGENCY does not have the resources to provide such emergency care, HOST AGENCY will refer such student to the nearest emergency facility. The SCHOOL will define, for its medical students, who bears financial responsibility for any charges generated.



6. To the extent the HOST AGENCY, generates or maintains educational records related to the participating student, the HOST AGENCY agrees to comply with the Family Educational Rights and Privacy Act (FERPA), to the same extent as such laws and regulations apply to the SCHOOL and shall limit access to only those employees or agents with a need to know. For the purposes of this Agreement, pursuant to FERPA, SCHOOL hereby designates HOST AGENCY as a school official with a legitimate educational interest in the educational records of the participating student(s) to the extent that access to the SCHOOL's records is required by HOST AGENCY to carry out the Program.

7. Upon request, the HOST AGENCY will provide proof that it maintains liability insurance in an amount that is commercially reasonable.

8. The HOST AGENCY will provide written notification to the SCHOOL promptly if a claim arises involving a student. The HOST AGENCY and SCHOOL agree to share such information in a manner that protects such disclosures from discovery to the extent possible under applicable federal and state peer review and joint defense laws.

9. The HOST AGENCY will resolve any situation in favor of its patients' welfare and restrict a student to the role of observer when a problem may exist until the incident can be resolved by the staff in charge of the student or the student is removed. The HOST AGENCY will notify the SCHOOL'S course director if such an action is required.

10. The HOST AGENCY shall identify a site coordinator from among its medical staff who will communicate and cooperate with the SCHOOL's clerkship director to ensure faculty and medical student access to appropriate resources for the clinical training experience.

### **C. Mutual Responsibilities**

1. Representatives for each party will be established on or before the execution of this AGREEMENT.

2. The parties will work together to maintain an environment of high quality patient care. At the request of either party, a meeting or conference will promptly be held between SCHOOL and HOST AGENCY representatives to resolve any problems or develop any improvements in the operation of the clinical training program.

3. The SCHOOL will provide qualified and competent individuals in adequate number for the instruction, assessment, and supervision of students using the SCHOOL facilities. The HOST AGENCY will provide qualified and competent staff members in adequate number for the instruction and supervision of students using the HOST AGENCY facilities.

4. The SCHOOL and the HOST AGENCY will not discriminate against any employee, applicant or student enrolled in their respective programs because of age, creed, gender identity, national origin, race, sex, sexual orientation or any other basis protected by law.

5. The SCHOOL, including its faculty, staff, medical students, and residents, and HOST AGENCY share responsibility for creating an appropriate learning environment that includes both formal learning activities and the attitudes, values, and informal "lessons" conveyed by individuals who interact with the student. The parties will cooperate to evaluate the learning environment (which may include on-site visits) to identify positive and negative influences on the maintenance of professional standards, and to conduct and develop appropriate strategies to enhance the positive and mitigate the negative influences. HOST AGENCY shall require its faculty and staff who interact with students to adhere to the expectations set forth in Exhibit A, and communicate student violations to the SCHOOL. SCHOOL agrees to require its students to adhere to the expectations set forth in Exhibit A.

6. HOST AGENCY may immediately remove from the premises and retains the right to suspend or terminate any student's participation at the HOST AGENCY. The HOST AGENCY will immediately notify the appropriate office of the SCHOOL if such an action is required and the reasons for such action. The SCHOOL may terminate a student's participation when, in its sole discretion, it determines that further participation by the student would no longer be appropriate. The SCHOOL will notify the HOST AGENCY if such action is required.

#### **D. Term and Termination**

This AGREEMENT is effective upon execution of the Implementation Letter by both parties to the covered clinical training experience(s) and will continue indefinitely or until terminated. This AGREEMENT may be terminated at any time and for any reason by either party upon not less than ninety (90) days prior written notice to the other party. Should notice of termination be given under this Section, students already scheduled to train at HOST AGENCY will be permitted to complete any previously scheduled clinical assignment at HOST AGENCY.

#### **E. Employment Disclaimer**

The students participating in the program will not be considered employees or agents of the HOST AGENCY or SCHOOL for any purpose. Students will not be entitled to receive any compensation from HOST AGENCY or SCHOOL or any benefits of employment from HOST AGENCY or SCHOOL, including but not limited to, health care or workers' compensation benefits, vacation, sick time, or any other benefit of employment, direct or indirect. HOST AGENCY will not be required to purchase any form of insurance for the benefit or protection of any student of the SCHOOL.

#### **F. Health Insurance Portability and Accountability Act.**

Students participating in clinical training pursuant to this Agreement are members of the HOST AGENCY's workforce for purposes of the Health Insurance Portability and Accountability Act (HIPAA) within the definition of "health care operations" and therefore may have access to patient medical information as provided for in the Privacy Rule of HIPAA. Therefore, additional agreements are not necessary for HIPAA compliance purposes. This paragraph applies solely to HIPAA privacy and security regulations applicable to the HOST AGENCY and, as stated in paragraph E, above, does not establish an employment relationship.

**G. No Agency Relationship Between the Parties.**

Nothing in this Agreement is intended to or shall be construed to constitute or establish an agency, employer/employee, partnership, franchise, or fiduciary relationship between the parties; and neither party shall have the right or authority or shall hold itself out to have the right or authority to bind the other party, nor shall either party be responsible for the acts or omissions of the other except as provided specifically to the contrary herein.

**H. Assignment**

This AGREEMENT will not be assigned by either party without the prior written consent of the other.

**I. Governmental Immunity**

If the SCHOOL is a public entity entitled to protections of governmental immunity under applicable law, it is specifically understood and agreed that nothing contained in this paragraph or elsewhere in this AGREEMENT will be construed as: an express or implied waiver by the SCHOOL of its governmental immunity or of its state governmental immunity; an express or implied acceptance by SCHOOL of liabilities arising as a result of actions which lie in tort or could lie in tort in excess of the liabilities allowable under the applicable governmental immunity laws; or, a pledge of the full faith and credit of a debtor contract; or, as the assumption by the SCHOOL of a debt, contract, or liability of the HOST AGENCY.

**J. No Special Damages**

In no event shall either party be liable hereunder (whether in an action in negligence, contract or tort or based on a warranty or otherwise) for any indirect, incidental, special or consequential damages incurred by the other party or any third party, even if the party has been advised of the possibility of such damages.

**K. Notices**

All notices provided by either party to the other will be in writing, and will be deemed to have been duly given when delivered personally or when deposited in the United States mail, First Class, postage prepaid, addressed as indicated in the Uniform Clinical Affiliation Agreement Implementation Letter.

**L. No Payments**

No payments shall be made between the parties or to the students in connection with this Agreement.



**M. Severability**

The invalidity of any provision of this AGREEMENT will not affect the validity of any other provisions.

**N. Headlines**

Headlines in this AGREEMENT are for convenience only.

**O. Entire Agreement**

This AGREEMENT contains the entire AGREEMENT of the parties as it relates to this subject matter and may be modified only by additional written provisions contained in a properly executed Uniform Clinical Affiliation Agreement Implementation Letter.

## **EXHIBIT A: TEACHER-LEARNER EXPECTATIONS**

The SCHOOL holds in high regard professional behaviors and attitudes, including altruism, integrity, respect for others and a commitment to excellence. Effective learning is best fostered in an environment of mutual respect between teachers and learners. In the context of medical education the term “teacher” is used broadly to include peers, resident physicians, full-time and volunteer faculty members, clinical preceptors, nurses, and ancillary support staff, as well as others from whom students learn.

### **GUIDING PRINCIPLES:**

**Duty:** Medical educators have a duty to convey the knowledge and skills required for delivering the profession’s standard of care and also to instill the values and attitudes required for preserving the medical profession’s social contract with its patients.

**Integrity:** Learning environments that are conducive to conveying professional values must be based on integrity. Students and residents learn professionalism by observing and emulating role models who epitomize authentic professional values and attitudes.

**Respect:** Respect for every individual is fundamental to the ethic of medicine. Mutual respect is essential for nurturing that ethic. Teachers have a special obligation to ensure that students and residents are always treated respectfully.

### **RESPONSIBILITIES OF TEACHERS AND LEARNERS:**

#### **Teachers should:**

- Treat students fairly and respectfully
- Maintain high professional standards in all interactions
- Be prepared and on time
- Provide relevant and timely information
- Provide explicit learning and behavioral expectations early in a course or clerkship
- Provide timely, focused, accurate and constructive feedback on a regular basis and thoughtful and timely evaluations at the end of a course or clerkship
- Display honesty, integrity and compassion
- Practice insightful (Socratic) questioning, which stimulates learning and self-discovery, and avoid overly aggressive questioning which may be perceived as hurtful, humiliating, degrading or punitive

- Solicit feedback from students regarding their perception of their educational experiences
- Encourage students who experience mistreatment or who witness unprofessional behavior to report the facts immediately

**Students should:**

- Be courteous of teachers and fellow students
- Be prepared and on time
- Be active, enthusiastic, curious learners
- Demonstrate professional behavior in all settings
- Recognize that not all learning stems from formal and structured activities
- Recognize their responsibility to establish learning objectives and to participate as an active learner
- Demonstrate a commitment to life-long learning, a practice that is essential to the profession of medicine
- Recognize personal limitations and seek help as needed
- Display honesty, integrity and compassion
- Recognize the privileges and responsibilities coming from the opportunity to work with patients in clinical settings
- Recognize the duty to place patient welfare above their own
- Recognize and respect patients' rights to privacy
- Solicit feedback on their performance and recognize that criticism is not synonymous with "abuse"

**Relationships between Teachers and Students**

Students and teachers should recognize the special nature of the teacher-learner relationship which is in part defined by professional role modeling, mentorship, and supervision.

Because of the special nature of this relationship, students and teachers should strive to develop their relationship to one characterized by mutual trust, acceptance and confidence. They should both recognize the potential for conflict of interest and respect appropriate boundaries.

## EXHIBIT 4

### **County Physician Participation in University Sponsored Research**

County and University hereby acknowledge and agree that furthering the goals of medical research and clinical trials is important and mutually beneficial to both organizations. While the Sponsored Programs Agreement sets forth the agreed terms and conditions for the conduct of sponsored research at Hospital, that agreement was premised on all Faculty being employed by University. Insofar as a substantial number of Faculty are now employed directly by County, the Parties now seek to confirm the additional terms and conditions under which County Physicians may participate as Principal Investigators (“PIs”) in University’s Sponsored Research Projects (including Industry Clinical Trials). Capitalized terms used but not defined herein (or in the MSAA to which this Exhibit 4 is attached) are intended to have the meaning set forth in either (i) the Sponsored Programs Agreement, or (ii) relevant University policies as set forth at <https://ooc.usc.edu/compliance-programs/research-compliance>, and <https://keck.usc.edu/office-of-research-administration/policies-and-procedures/> (“University Research Policy”), as applicable.

All Sponsored Research Project proposals must be submitted by and on behalf of University. In the event that a Sponsored Research Project proposal is successful, the resulting grant award will be made to and in the name of University.

#### 1. Eligibility as PIs.<sup>1</sup>

University Research Policy provides that Full-Time Clinical Faculty may serve as PIs on Sponsored Research Projects awarded to the University. Part-Time Faculty may serve as PIs if a specific waiver/exception is granted upon recommendation by the appropriate Department Chair(s), appropriate dean(s) or designee, and the Senior VP for Research and Innovation or designee. Voluntary Faculty may not serve as PIs on University Sponsored Research Projects.

Accordingly, County Physicians holding Voluntary Faculty appointments pursuant to Section 2.4 of the MSAA may not serve as PIs. A County Physician seeking to serve as a PI on a University Sponsored Research Project must seek and obtain a Part-Time Faculty appointment as well as a specific waiver/exception to serve as PI while not a Full-Time Employee, pursuant to University Research Policy.

#### 2. Proposing and Conducting Sponsored Research as Part-Time University Employee.

Any County Physician who does not already hold Part-Time Faculty status at University and who wishes to serve as a PI on a proposal for a University Sponsored Research Project must first obtain a Part-Time Faculty appointment and become a part-time employee of University, and then obtain a specific waiver/exception under University Research Policy.

Except as otherwise provided in Section 3 below, University will cause such County Physician to be employed on a non-exempt hourly basis, at not less than the then-current California State Minimum Wage (or the then-current Los Angeles County Minimum Wage, if higher), and in compliance with all applicable

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<sup>1</sup> This document addresses eligibility to serve as the lead PI on a Sponsored Research Project. Eligibility of a County Physician to serve in roles other than lead PI, such as a site lead on a multi-site study or another co-investigator or other role, will be determined by the University at its sole discretion, based on University Policy then in effect.

standards for non-exempt hourly workers (e.g., documented start time, stop time, and meal and rest breaks) and subject to all associated University policies applicable to Part-Time University Faculty.

The time commitment associated with a County Physician's part-time employment by University will be determined on a case-by-case basis. During the preparation and pendency of a Sponsored Research Project proposal, the employment duties of the County Physician in such capacity will consist of all time and effort associated with the planning, preparation and submission of the Sponsored Research Project proposal. If a Sponsored Research Project proposal is successful, the County Physician's duties and responsibilities as a part-time University employee will be expanded to the extent necessary to include all activities contemplated by the Sponsored Research Project. However:

- (a) The prior written agreement of both University and County will be required in the event that any County Physician is proposed to undertake a time commitment on Sponsored Research Project(s) of more than twelve (12) hours per week as a part-time employee of University; University and County will evaluate any such proposals based on all relevant facts and circumstances, including without limitation good faith consideration of potential reduction in County time commitment where appropriate.
- (b) Under no circumstances will any County Physician dedicate more than nineteen (19) hours per week as a part-time employee of University, it being the intention and understanding of the Parties that any such County Physician will not be eligible for University welfare and retirement benefit programs (but rather shall remain eligible solely under applicable County benefit plans).
- (c) Except for those County Physicians described in Section 3 below, a County Physician may not work more than six (6) hours per day as a University employee, it being the intention and understanding of the Parties that any such County Physician will not earn overtime wages in their University employment. Moreover, County Physicians will be provided with voluntary waivers permitting them to forego their entitlement to meal periods, consistent with California law.
- (d) The commencement of any County Physician's part-time employment arrangement with University will be conditioned on the prior written consent of County to that County Physician's rendering of services on behalf of University in such capacity, up to an agreed-upon maximum time commitment (specified either in number of hours or percentage of effort).

### 3. Exceptions for Employment on Exempt Salaried Basis.

In limited cases where determined at the University's sole discretion, a County Physician seeking to engage in Sponsored Research Projects may be employed by University on an exempt salaried basis. In such circumstances, the County Physician shall be paid not less than the then-current minimum salary for exempt employees in California (as of the effective date of the MSAA, \$66,560) or, if higher, the minimum salary specified by the University Provost's Office.

The time commitment associated with a County Physician's part-time exempt salaried employment by University will be determined on a case-by-case basis. However, in recognition of the need to balance a County Physician's duties and responsibilities on the Sponsored Research Project with his or her continued clinical obligations as a County employee, a County Physician's time and effort on behalf of University will continue to be subject to the limitations described in Section 2(a) through (d) above, unless otherwise approved in writing by both County and University.

4. Reporting of Time and Effort.

In all cases, the Parties will use diligent efforts to ensure that County Physicians are able to distinguish and accurately report time and effort dedicated to their University responsibilities in connection with Sponsored Research Project(s) from their County responsibilities, including clinical work. County Physicians shall comply with all University Research Policy pertaining to time and effort reporting, including <https://fbs.usc.edu/financial-analysis/effort-certification-2/>. Under no circumstances will University seek to recover from a sponsor or funder any of the costs borne by County associated with the time and effort of such County Physician.

5. Continuation of Part-Time Employment.

Once a County Physician becomes a part-time employee of University for purposes of undertaking Sponsored Research Projects, he or she may submit additional Sponsored Research Project proposals and continue his or her employment status for so long as acceptable to University. University in its sole discretion will determine the terms and conditions of the County Physician's continued employment status (if any) with University, including job duties and responsibilities, time commitment, and hourly rate or salary (as applicable).

University will have sole discretion regarding acceptance and consideration of further specific waivers/exceptions pursuant to University Research Policy as needed to permit the County Physician to pursue other proposed Sponsored Research Projects. Moreover, University will have sole discretion regarding the continuation of such County Physician's Part-Time Faculty appointment, and may at any time determine to convert the County Physician back to Voluntary Faculty status.

## EXHIBIT 5

### Funding and Allocation of GME Costs

FISCAL YEAR 2024-25						
(\$ in Millions)						
ACGME PROGRAM COSTS	TOTAL FTEs	COUNTY FTEs	USC FTEs	AGGREGATE FUNDING AMOUNT	COUNTY GME INVESTMENT	UNIVERSITY GME INVESTMENT
<b>5.2 Calculation of the Aggregate Funding Amount</b>						
5.2.1 Residents' Compensation	1,005.0	918.0	87.0	\$ 127.762	\$ 115.905	\$ 11.857
5.2.2 Program Directors/Associate Directors	25.7	9.0	16.7	12.482	\$ 5.440	\$ 7.042
5.2.3 Program Coordinators	47.0	4.0	43.0	4.866	\$ 0.391	\$ 4.474
5.2.4 Flexible Funds Program Support @2,500/FTE				2.513	\$ -	\$ 2.513
5.2.5 GME Office				2.260	\$ 0.769	\$ 1.491
5.2.6 Administrative & General Overhead @5%				7.494	\$ 6.125	\$ 1.369
Aggregate Funding Amount	1,077.7	931.0	146.7	\$ 157.377	\$ 128.631	\$ 28.746
5.3 Sharing Percentages					75.94%	24.06%
<b>5.4.1 Total Cost Allocation</b>				\$ 157.377	\$ 119.504	\$ 37.872
<b>5.4.2 GME Reconciliation Amount</b>				\$ -	\$ (9.127)	\$ 9.127



## EXHIBIT 6

### Clinical Purchased Services

1. The annual contract maximum for Clinical Purchased Services in FY 2025-26 is \$52,908,000 dollars.
2. The Parties agree to collaborate in good faith to complete the data fields set forth in the table below within ninety (90) days from the Effective Date of this Agreement. Upon completion of this Exhibit 6, the Agreement shall be amended accordingly to insert the completed Exhibit 6.

		1	2	3	4 = 1*3	5 = 4 * 33.5%	6 = 4 + 5	7 = 6 * 5%	8 = 6 * 5%	9 = 6 + 7 + 8
Department	Speciality/ Subspecialty	FTEs	Base Rate Per FTE FY 2024-25	Bae Rate Per FTE FY 2025-26	Base Payment Amount	Employee Benefits 33.5%	Total	Clinical Staffing Admin Rate 5.0%	University Admin Rate 5.0%	Total Clinical Costs
DENTISTRY	Oral MaxilloFacial Surgery (OMFS)	1.00	\$419,520	\$433,154	\$ 433,154	\$ 145,107	\$ 578,261	\$ 28,913	\$ 28,913	\$ 636,087
DENTISTRY	Dental Adult	1.40	\$202,400	\$208,978	\$ 292,569	\$ 98,011	\$ 390,580	\$ 19,529	\$ 19,529	\$ 429,638
DENTISTRY	Pediatric Dental Residents	2.00	\$55,200	\$56,994	\$ 113,988	\$ 38,186	\$ 152,174	\$ 7,609	\$ 7,609	\$ 167,391
DERMATOLOGY	Dermatology (excluding MOHS)	3.75	\$387,177	\$399,760	\$ 1,499,101	\$ 502,199	\$ 2,001,300	\$ 100,065	\$ 100,065	\$ 2,201,430
DERMATOLOGY	Dermatology - MOHS	0.60	\$742,551	\$766,684	\$ 460,010	\$ 154,103	\$ 614,114	\$ 30,706	\$ 30,706	\$ 675,525
EMERGENCY MEDICINE	Emergency Medicine	14.00	\$324,278	\$334,817	\$ 4,687,438	\$ 1,570,292	\$ 6,257,730	\$ 312,887	\$ 312,887	\$ 6,883,503
MEDICINE	Cardiology / Cardiovascular	2.00	\$388,649	\$401,280	\$ 802,560	\$ 268,858	\$ 1,071,418	\$ 53,571	\$ 53,571	\$ 1,178,560
MEDICINE	Endocrinology	1.00	\$226,375	\$233,732	\$ 233,732	\$ 78,300	\$ 312,032	\$ 15,602	\$ 15,602	\$ 343,236
MEDICINE	General Internal Medicine	2.00	\$256,621	\$264,961	\$ 529,922	\$ 177,524	\$ 707,446	\$ 35,372	\$ 35,372	\$ 778,191
MEDICINE	Gastroenterology	2.50	\$378,099	\$390,387	\$ 975,968	\$ 326,949	\$ 1,302,917	\$ 65,146	\$ 65,146	\$ 1,433,209
MEDICINE	Hematology/Oncology	4.00	\$332,579	\$343,388	\$ 1,373,551	\$ 460,140	\$ 1,833,691	\$ 91,685	\$ 91,685	\$ 2,017,060
MEDICINE	Nephrology	1.00	\$277,951	\$286,984	\$ 286,984	\$ 96,140	\$ 383,124	\$ 19,156	\$ 19,156	\$ 421,437
MEDICINE	Critical Care	1.00	\$289,554	\$298,965	\$ 298,965	\$ 100,153	\$ 399,118	\$ 19,956	\$ 19,956	\$ 439,029
MEDICINE	Rheumatology	1.00	\$236,906	\$244,605	\$ 244,605	\$ 81,943	\$ 326,548	\$ 16,327	\$ 16,327	\$ 359,203
MEDICINE	Genetics Counsellor	4.00	\$157,223	\$162,333	\$ 649,331	\$ 217,526	\$ 866,857	\$ 43,343	\$ 43,343	\$ 953,543
NEUROLOGY	Neurology	0.50	\$245,841	\$253,831	\$ 126,915	\$ 42,517	\$ 169,432	\$ 8,472	\$ 8,472	\$ 186,375
NEUROSURGERY	Neurosurgery	3.00	\$729,265	\$752,966	\$ 2,258,898	\$ 756,731	\$ 3,015,629	\$ 150,781	\$ 150,781	\$ 3,317,192
NEUROSURGERY--RANCHO	Neurosurgery	1.00	\$729,265	\$752,966	\$ 752,966	\$ 252,244	\$ 1,005,210	\$ 50,260	\$ 50,260	\$ 1,105,731
OBSTETRICS & GYNECOLOGY	OB/GYN: General	0.70	\$289,043	\$298,437	\$ 208,906	\$ 69,983	\$ 278,889	\$ 13,944	\$ 13,944	\$ 306,778
OBSTETRICS & GYNECOLOGY	OB/GYN: Gynecologic Oncology	1.00	\$375,413	\$387,614	\$ 387,614	\$ 129,851	\$ 517,465	\$ 25,873	\$ 25,873	\$ 569,211
OBSTETRICS & GYNECOLOGY	OB/GYN: Maternal & Fetal	1.00	\$426,025	\$439,871	\$ 439,871	\$ 147,357	\$ 587,228	\$ 29,361	\$ 29,361	\$ 645,950
OBSTETRICS & GYNECOLOGY	OB/GYN: General/ Urogyn	0.10	\$289,043	\$298,437	\$ 29,844	\$ 9,998	\$ 39,841	\$ 1,992	\$ 1,992	\$ 43,825
OBSTETRICS & GYNECOLOGY	OB/GYN: Reproductive Endocrinology	1.00	\$457,986	\$472,871	\$ 472,871	\$ 158,412	\$ 631,282	\$ 31,564	\$ 31,564	\$ 694,410
OPHTHALMOLOGY	Ophthalmology	3.00	\$329,465	\$340,173	\$ 1,020,518	\$ 341,873	\$ 1,362,391	\$ 68,120	\$ 68,120	\$ 1,498,630
ORTHOPEDIC SURGERY	Orthopedic Surgery	4.40	\$595,139	\$614,481	\$ 2,703,716	\$ 905,745	\$ 3,609,461	\$ 180,473	\$ 180,473	\$ 3,970,408
OTOLARYNGOLOGY	Otolaryngology	3.00	\$451,060	\$465,719	\$ 1,397,158	\$ 468,048	\$ 1,865,206	\$ 93,260	\$ 93,260	\$ 2,051,727
PATHOLOGY	Pathology/ Anatomic & Clinical	3.85	\$296,350	\$305,981	\$ 1,178,028	\$ 394,639	\$ 1,572,668	\$ 78,633	\$ 78,633	\$ 1,729,935
PATHOLOGY	Pathology/ Microbiology	1.20	\$199,110	\$205,581	\$ 246,697	\$ 82,644	\$ 329,341	\$ 16,467	\$ 16,467	\$ 362,275
PEDIATRICS	Pediatrics/ General	3.80	\$200,703	\$207,226	\$ 787,458	\$ 263,799	\$ 1,051,257	\$ 52,563	\$ 52,563	\$ 1,156,382
PHARMACY	Pharmacists	2.50	\$151,610	\$156,537	\$ 391,343	\$ 131,100	\$ 522,443	\$ 26,122	\$ 26,122	\$ 574,688
PHARMACY	Pharmacy Residents	4.00	\$48,790	\$50,376	\$ 201,503	\$ 67,503	\$ 269,006	\$ 13,450	\$ 13,450	\$ 295,907
PSYCHIATRY	Psychiatry	2.70	\$275,736	\$284,697	\$ 768,683	\$ 257,509	\$ 1,026,192	\$ 51,310	\$ 51,310	\$ 1,128,811
PSYCHIATRY	Psychology	1.20	\$184,000	\$189,980	\$ 227,976	\$ 76,372	\$ 304,348	\$ 15,217	\$ 15,217	\$ 334,783
RADIOLOGY	Diagnostic Radiology	0.13	\$454,543	\$469,316	\$ 58,664	\$ 19,653	\$ 78,317	\$ 3,916	\$ 3,916	\$ 86,149
RADIATION ONCOLOGY	Radiation Oncology	0.10	\$452,220	\$466,917	\$ 46,692	\$ 15,642	\$ 62,333	\$ 3,117	\$ 3,117	\$ 68,567
SURGERY	General Surgery	1.85	\$383,517	\$395,981	\$ 732,565	\$ 245,409	\$ 977,975	\$ 48,899	\$ 48,899	\$ 1,075,572
SURGERY	Surgical Oncology Fellow	1.00	\$95,321	\$98,418	\$ 98,418	\$ 32,970	\$ 131,389	\$ 6,569	\$ 6,569	\$ 144,527
SURGERY	Plastic Surgery	3.07	\$540,913	\$558,493	\$ 1,714,573	\$ 574,382	\$ 2,288,954	\$ 114,448	\$ 114,448	\$ 2,517,850
SURGERY	Vascular Surgery	1.00	\$459,134	\$474,056	\$ 474,056	\$ 158,809	\$ 632,865	\$ 31,643	\$ 31,643	\$ 696,151
SURGERY	Critical Care Surgery/ Trauma/SICU	6.00	\$435,837	\$450,002	\$ 2,700,010	\$ 904,503	\$ 3,604,514	\$ 180,226	\$ 180,226	\$ 3,964,965
SURGERY	Cardiothoracic/ Cardiovascular Surgery	3.50	\$671,972	\$693,811	\$ 2,428,339	\$ 813,494	\$ 3,241,832	\$ 162,092	\$ 162,092	\$ 3,566,016
SURGERY	Clinical Psychologist	1.10	\$184,000	\$189,980	\$ 208,978	\$ 70,008	\$ 278,986	\$ 13,949	\$ 13,949	\$ 306,884
UROLOGY	Urology	2.05	\$429,722	\$443,688	\$ 909,560	\$ 304,703	\$ 1,214,263	\$ 60,713	\$ 60,713	\$ 1,335,689
FACULTY TEACHING INCENTIVE FUND (MSAA SECTION 7.5)		N/A			N/A	N/A	N/A	N/A	N/A	\$ 30,000
FRESH TISSUE DISSECTION LAB (MSAA SECTION 7.6)		N/A			N/A	N/A	N/A	N/A	N/A	\$ 225,000
<b>TOTAL</b>		<b>99.00</b>			<b>\$ 35,854,703</b>	<b>\$ 12,011,325</b>	<b>\$ 47,866,028</b>	<b>\$ 2,393,301</b>	<b>\$ 2,393,301</b>	<b>\$ 52,907,631</b>



## EXHIBIT 7

### Physician Time Studies

1. University shall conduct Physician Time Studies (PTS) for all physicians who are providing services at Hospital, including University Personnel, County employed physicians and other physicians, and shall make University's online PTS tools available for the conduct of PTS for all physicians providing services at Hospital. Such PTS shall be conducted for a two-week period twice per fiscal year as set forth in County guidelines and as determined by agreement with Hospital's Medicare Administrative Contractor. The PTS shall be in a format in that meets the requirements under the CMS Provider Reimbursement Manual. A PTS shall be completed by each physician identifying hours by "where worked" location, and by the services provided (*i.e.*, patient care, administration, teaching, etc.). University shall ensure that a Physician Allocation Agreement (PAA) in the form of Attachment I hereto is completed by all such physicians annually, irrespective of whether such physician participates in the PTS, and shall make available University's online PAA tools for the completion of PAAs by all physicians providing services at Hospital.
2. County shall provide University thirty (30) days prior to initiation of the PTS a list of all physicians working independently at Hospital and not receiving compensation from University for such work.
3. County shall notify University at least thirty (30) days prior to the date of administering the PTS regarding any changes or modifications to the identification of "where worked" cost centers or services provided.
4. County shall notify University at least sixty (60) days prior to the date of administering the PTS regarding any changes or modifications to the PTS and PAA forms.
5. University shall identify the physicians who have not completed a PTS for a period where a PTS is required.
  - a. If services were not provided University shall determine whether nonproductive hours may be counted for vacation, sick leave, conferences, etc.
  - b. If services were provided, the physician shall be required to complete a make-up PTS within thirty (30) days following notice of such requirement.
6. County may sample audit the PTS for all physicians for internal reviews or reviews conducted by Federal or State program auditors. University shall provide all completed PTS, and the executed PAA forms, within sixty (60) days following the last day of the scheduled PTS. University and County shall work jointly to determine the electronic format and resolve discrepancies related to the PTS.
7. University shall separately summarize in an electronic database format acceptable to County (such as Microsoft Access or Excel) PTS information for each physician by type of employment (*i.e.*, County, University, Other), Department, the actual hours based on "where worked," the function/service provided for mental health and non-mental health, the extrapolated hours, the equivalent medical specialty as defined by the AAMC, the reasonable compensation equivalent specialty, and services provided for all physicians. University shall provide the study to County in an electronic format, as designed by County, no later than sixty (60) days following the last day of the scheduled PTS for each PTS period. In addition, University shall separately summarize the PAA for each Physician, including those reporting nonproductive time during the PTS.

8. University shall extrapolate University physician and non-physician hours (if appropriate) based on PTS; the extrapolated hours shall be based on Medicare requirements.
9. University shall perform the activities described in this Exhibit 7 in good faith and using commercially reasonable efforts. However, University shall have no liability, obligation or responsibility for the accuracy or completeness of information included in Hospital's cost reports or similar filings to any governmental payor or regulatory agency, body or authority, nor for the timeliness of any such reports or filings.

**Attachment I to Exhibit 7**  
**Physician Allocation Agreement (PAA)**

		SURVEY-BASED PERCENTAGES			PAA PERCENTAGES		
	ACTIVITIES	Mental Health Services	Non-Mental Health Services	Total Services	Mental Health Services	Non-Mental Health Services	Total Services
<b>1.</b>	<b><u>PATIENT CARE</u></b>						
	A. Direct patient care.						
	B. Supervision of interns and residents in the provision of patient care.						
	C. Clinical research.						
	D. Off-Premises Call Coverage – Patient Care.						
<b>2.</b>	<b><u>SERVICES TO THE HOSPITAL</u></b>						
	A. Supervision of interns and residents [scheduling, planning, and evaluating the work of interns and residents, including clinical rounds].						
	B. Teaching of interns and residents [preparing for and presenting of instruction to interns and residents in classrooms and lecture halls or in other formal settings].						
	C. Teaching and supervision of allied health professionals [teaching and supervising the performance of trainees in approved allied health programs].						
	<u>D. Administration</u>						
	1. General administration [supervising the performance of employees, excluding interns and residents; committee meetings; and autopsies].						
	2. Continuing medical education.						
	3. Off-Premises call coverage - Administrative.						
<b>3.</b>	<b><u>RESEARCH</u></b>						
	Systematic studies directed towards better scientific knowledge, usually obtained in a laboratory with test tubes and animals.						
<b>4.</b>	<b><u>TIME OFF</u></b>						
	Vacation, holiday, sick leave, etc.						
	<b>TOTAL</b>			<b>100%</b>			<b>100%</b>
<b><i>The PAA percentages represent the activities I will be providing during the current FY.</i></b>							
Provider's Signature						Date	
Department Chairman's Signature						Date	

## **EXHIBIT 8**

### **Retention of Records Under This Agreement**

1. General ledger accounts related to this Agreement, including subsidiary ledgers and supporting documentation.
2. University Annual Consolidated Financial Statements.
3. Completed individual Physician Time Studies (PTS) and Provider Allocation Agreement (PAA) forms for all physicians, if and as required by the Medicare fiscal intermediary in electronic format.
4. Any executed contracts for University Personnel providing services under this Agreement.
5. Attending physician assignment schedules.
6. University's Internal Indirect Cost Allocation.
7. If this Agreement is audited by Federal or County auditors, copies of all documents provided to such auditors, except for documents protected by attorney-client or attorney work product privileges.

## EXHIBIT 9

### CONTRACTOR'S EEO CERTIFICATION

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Contractor's Name

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Address

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Internal Revenue Service Employer Identification Number

### GENERAL CERTIFICATION

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor identified above ("Contractor") certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

### CONTRACTOR'S SPECIFIC CERTIFICATIONS

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

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Authorized Official's Printed Name and Title

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Authorized Official's Signature

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Date

**EXHIBIT 10**  
Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY  
SERVICE

**2.203.010 Findings.**

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

**2.203.020 Definitions.**

The following definitions shall be applicable to this chapter:

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

6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
  7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
  8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-I 100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
  2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § I (part), 2002)

#### **2.203.030 Applicability.**

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § I (part), 2002)

#### **2.203.040 Contractor Jury Service Policy.**

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § I (part), 2002)

#### **2.203.050 Other Provisions.**

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § I (part), 2002)

### **2.203.060 Enforcement and Remedies.**

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

- I. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § I (part), 2002)

### **2.203.070. Exceptions.**

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

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

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

### **2.203.090. Severability.**

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § I (part), 2002)



## EXHIBIT 11

### ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR'S NAME \_\_\_\_\_

#### GENERAL INFORMATION:

The Contractor referenced above has entered into an Agreement identified above to provide certain services to the County of Los Angeles (hereafter "County"). The County requires the Contractor to sign this Contractor Acknowledgement and Confidentiality Agreement (hereafter "Confidentiality Agreement").

#### CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that the Contractor employees, consultants, outsourced vendors, independent contractors and agents (hereafter "Contractor's Staff") that will provide services pursuant to the above referenced Agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced Agreement.

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

#### CONFIDENTIALITY AGREEMENT:

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

Contractor, on behalf of itself and Contractor's Staff, hereby agrees that neither it nor Contractor's will divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced Agreement. Contractor agrees that it and Contractor's Staff shall forward to County's Project Manager all requests for the release of any data or information received.

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

Contractor agrees that it and Contractor's Staff shall report any and all violations of this Confidentiality Agreement by Contractor or Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor acknowledges that violation of this Confidential Agreement by Contractor or Contractor's Staff may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County may seek all possible legal redress.

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

## EXHIBIT 12

### CHARITABLE CONTRIBUTIONS CERTIFICATION

**Contractor Name:**

**Address:**

**Internal Revenue Service Employer Identification Number:**

☐ Contractor is exempt from the California Nonprofit Integrity Act.

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

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

**Check the Certification below that is applicable to your company.**

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

**OR**

☐ Contractor is registered with the California Registry of Charitable Trusts **as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586** under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Contractor shall be listed in good standing and is required to **annually** renew its registry with the Attorney General's Registry of Charitable Trusts.

\_\_\_\_\_  
**Signature**

**Date:**    -    -

**Name of Signer:**

**Title:**

## **Exhibit 13**

### **LOS ANGELES COUNTY BOARD OF SUPERVISORS POLICY MANUAL, 5.070 - MULTI-YEAR SERVICES CONTRACT COSTS OF LIVING ADJUSTMENTS**

#### **5.070 - Multi-Year Services Contract Cost of Living Adjustments**

Effective Date: 04/01/97

#### **PURPOSE**

Provides guidelines for the use of Cost of Living Adjustment (COLA) provisions in multi-year services contracts, and establishes the maximum allowable COLA.

#### **REFERENCE**

April 1, 1997 Board Order, Synopsis 73

April 8, 1997 Chief Administrative Office memo, "Policy on Contract Cost of Living Adjustments (COLAs)"

April 25, 1997 Memo "New Policy on Contract Cost of Living Adjustments (COLAs)"

October 2, 2001 Board Order No. 76

January 29, 2002, Chief Administrative Office Board Letter, "Contracting Policy — Cost of Living Adjustments for Services Contracts", Board Order No. 17

September 26, 2006 Board Order Nos. 26 and 27

October 17, 2006 Board Order Nos. 29, 30, and 31

#### **POLICY**

A Cost of Living Adjustment (COLA) is defined as any contract price increase during the term of a contract that is: (i) not a cost included in the initially negotiated contract price; and (ii) granted to reflect changes in the cost of doing business based on inflation, and not for an increased service level or workload.

COLA provisions in contracts are not mandatory; a department's determination to use and incorporate COLAs will be a business decision based on consideration of several factors, including the nature of the services contracted, the market, funding availability, and the department's history and experience contracting the specific service.

The COLA provision provided in this policy, and any corresponding contract, establishes the methodology for calculating a "COLA cap". A lower COLA or no COLA may be granted depending on the specific contract and circumstances. Under no circumstances can the COLA exceed the COLA cap.

Board letters requesting approval of contracts where COLA provisions are included must indicate this under the CONTRACTING PROCESS section and specify whether the contract language complies with County policy. The contract award recommendation should not include an actual or estimated COLA dollar amount because the information necessary to calculate the COLA cap is not known for future years.

Departments must discuss with Board offices any contract recommendation that does not comply with the County's COLA policy in advance of issuing the solicitation.

**The following language must be incorporated in substantially similar form into solicitations where a COLA may be anticipated in a resultant contract:**

If requested by the Contractor prior to the renewal of a contract option year, the contract amount (hourly, daily, monthly, etc.) for the additional option year periods identified in Paragraph 4.2 -Term of Contract may, at the sole discretion of the County, be increased annually based on the most recently published percentage change in the U.S. Department of Labor, Bureau of Labor Statistics' Consumer Price Index for Urban Consumers (CPI-U) for the Los Angeles-Long Beach-Anaheim Area for the 12-month period preceding the contract anniversary date, which will be the effective date for any Cost of Living Adjustment (COLA). However, any increase must not exceed the general salary movement granted to County employees as determined by the Chief Executive Officer as of each July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in County employee salaries, no COLA will be granted. Before any COLA increase will take effect and become part of the contract, it will require a written amendment to the contract first, that has been formally approved and executed by the parties. To request a COLA, Contractor must submit a written request along with appropriate justification to the Contract Analyst 60 days prior to "the contract anniversary date" or "exercising the additional option year periods identified in Paragraph 4.2."

**Additional Language for Living Wage Contracts only:**

Where the County decides to grant a COLA pursuant to this paragraph for living wage contracts, it may, in its sole discretion exclude the cost of labor (including the cost of wages and benefits paid to employees providing services under this contract) from the base upon which a COLA is calculated, unless the contractor can demonstrate that their labor cost will actually increase.

**RESPONSIBLE DEPARTMENTS**

Internal Services Department  
Chief Executive Office

**DATE ISSUED/SUNSET DATE**

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Issue Date: April 1, 1997	Sunset Review Date: April 1, 2001
Review Date: January 29, 2002	Sunset Review Date: January 28, 2006
Review Date: January 19, 2006	Sunset Review Date: January 19, 2010
Revised Date: September 26, 2006	Sunset Review Date: March 18, 2014
Revised Date: October 17, 2006	
Revised Date: March 18, 2010	
Revised Date: May 21, 2014	Sunset Review Date: July 31, 2014
Revised Date: July 16, 2014	Sunset Review Date: September 30, 2014
Review Date: October 15, 2014	Sunset Review Date: March 18, 2015
Review Date: March 19, 2015	Sunset Review Date: March 18, 2017
Review Date: January 19, 2017	Sunset Review Date: March 18, 2021
Review Date: December 16, 2020	Sunset Review Date: March 18, 2025
Review Date: December 18, 2024	Sunset Review Date: March 18, 2029

**EXHIBIT 14**

**LOS ANGELES GENERAL MEDICAL CENTER  
 AGREEMENTS WITH COUNTY OF LOS ANGELES  
 STANDARD COST-OF-LIVING ADJUSTMENT (COLA) PROVISIONS**

<b>Service</b>	<b>Vendor</b>
Dietary	Morrison Management Specialists, Inc dba Morrison Health Care, Inc.
Housekeeping	Servicon Systems, Inc.
Landscape	Parkwood Landscape Maintenance, Inc.
Laundry	Core Linen Services Inc.
Temporary Medical Personnel	Synaptic Technologies, Inc.
	Global Service Resources, Inc.
	Preferred Healthcare Registry, Inc.
	X-PRT Staffing, Inc.
	Platinum Healthcare Staffing
	Siracusa Enterprises, Inc. dba Quality Temp Staffing
	Cross Country Staffing, Inc.
	Associated Health Professionals, Inc.
	Pridestaff, Inc. dba Rx Relief, Inc.
	Asereth Medical Services
	Echo Tech Imaging, Inc.
	American Staffing Registry, Inc.
	Amergis Healthcare Staffing Services, Inc.
	Photon Physics Services, Inc.
	KPG Healthcare, LLC
	Healthcare Staffing Professionals, Inc.
	B2B Staffing Services, Inc.
	ATC Healthcare Services, Inc.
Temporary Nursing Personnel	Associated Health Professionals, Inc.
	ATC Healthcare Services, Inc.
	EZ Staffing, Inc.
	Master Staffing, Inc.
	Cross Country Staffing, Inc.
	Professional Resource Enterprises, Inc.
	Aequor Healthcare Services, LLC dba USSI
	Amergis Healthcare Staffing Services, Inc.
	MediPro Medical Staffing, LLC
	Platinum Healthcare Staffing
	Asereth Medical Services
	KPG Healthcare, LLC
	X-PRT Staffing, Inc.
	Medical Solutions, LLC
	Aya Healthcare, Inc.
	Medical Referral Network International dba ESP Personnel

	Healthcare Staffing Professionals, Inc.
	NuWest Group Holdings, LLC
	Covelo Group, Inc.
	Wynden Stark LLC dba GQR Global Markets
	SnapMedTech, Inc. dba SnapNurse; SnapMedTech Inc. dba SnapCare
	Assignment America, LLC dba Cross Country Workforce Solutions Group

