File ID A 15-253 No. 26 Corrected

Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement Nos.: A-12896 through A-12900; A-12906 & A-12907

Upon motion of Supervisor Parker, seconded by Supervisor Phillips and carried by those members present, the Board of Supervisors hereby:

a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Agreements using the attached Agreement template, approved by County Counsel and County Auditor-Controller, with Locum Leaders Inc. (A-12906), Medical Search LLC D.B.A. SUMO Medical Staffing (A-12896), Global Medical Staffing Inc. (A-12907), Staff Care Inc. (A-12897), Next Medical Staffing LLC, (A-12898), Medical Doctor Associates Inc. (A-12899), and Jackson & Coker LocumTenens LLC (A-12900) for locum tenens referral services at NMC pursuant to the Request for Proposals (RFP) #9600-61, with an initial term of August 1, 2015 through July 31, 2016 including the option to extend for four (4) additional one year periods, and with a total aggregate amount for all Agreements not to exceed $2,000,000 annually.
b. Authorize the Deputy Purchasing Agent for NMC to execute up to four (4) future Amendments to all of the Agreements awarded for locum tenens referrals per #RFP 9600-61 which do not significantly alter the scope of work and do not increase the cumulative "not to exceed" amount by up to 10% of the original aggregate amount ($200,000), even if no additional Agreements are entered into.
c. Authorize the Deputy Purchasing Agent for NMC to execute similar additional agreements for locum tenens referrals with qualified contractors who meet the minimum requirements of the County of Monterey under RFP #9600-61 and comply with the County of Monterey standard terms and conditions, where each individual agreement does not affect the total amount authorized and where each amendment will terminate on the expiration of the other agreements.

PASSED AND ADOPTED on this 28th day of July 2015, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter
NOES: None
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 78 for the meeting on July 28, 2015.

Dated: August 4, 2015
File ID: A 15-253
Corrected: August 18, 2015

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

AGREEMENT FOR LOCUM TENENS REFERRALS

County of Monterey ("County") owns and operates Natividad Medical Center ("NMC"), a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the "Clinic") under its acute care hospital license.

Staff Care, Inc., ("CONTRACTOR") is a C Corporation organized under the laws of the State of California that arranges for and furnishes the services of "*locum tenens* Physicians", each of whom is a physician duly licensed and qualified to practice medicine in California, to NMC to replace on a temporary basis, members of the NMCs' medical staff who may be absent due to illness, a leave of absence, or vacation.

NMC has invited proposals through the Request for Proposals RFP 9600-61 for Locum Tenens Referrals in accordance with the specifications set forth in this AGREEMENT;

CONTRACTOR has submitted a responsive and responsible proposal to perform such services.

CONTRACTOR has the expertise and capabilities necessary to provide the services requested.

After consideration and evaluation of the CONTRACTOR'S proposal, NMC wishes to engage CONTRACTOR to provide the services set forth in RFP #9600-61.

NOW THEREFORE, NMC and CONTRACTOR, for the consideration hereinafter named, agree as follows:

RECITALS

1.1 The component parts of this AGREEMENT include the following:

RFP #9600-61 dated March 9, 2015, including all Attachments and Exhibits
RFP #9600-61 Addenda #1 and #2
AGREEMENT
Certificate of Insurance
Additional Insured Endorsements

The above-referenced contract documents are intended to be complementary. Work required by one of the above-referenced contract documents but not by others shall be completed as if required by all. In the event of a conflict between or among component parts of the contract, the contract documents shall be construed in the following order:

AGREEMENT, RFP #9600-61 including all attachments and exhibits, and Addenda, Certificate of Insurance, and Additional Insured Endorsements.

SCOPE OF SERVICE

1.2 Scope of Services. The Scope of Services to be furnished by CONTRACTOR includes engaging and referring Locums Tenens practitioners in one or more of the medical specialties listed in EXHIBIT A-Rate Sheet attached hereto. It shall be CONTRACTOR's responsibility to search for, screen and pre-qualify *locum tenens* physician practitioners before referring such practitioners to NMC for consideration and service.

1.3 Screening Requirements. CONTRACTOR shall obtain and provide to NMC, at a minimum, the following documentation for each *locum tenens* candidate presented: a) Current Curriculum Vitae for physicians who shall be Board certified, or Board eligible; b) American Medical Association Credentials Verification Report; c) Valid California medical license; d) Current National Provider Identifier (NPI) credentials; e) Current Drug Enforcement Agency (DEA) credentials; f) American Board of Medical Specialty Certification (if any); g) Certification status from Educational Commission for Foreign Medical Graduates (ECFMG) – if applicable; h) Driver's license; i) A minimum of three (3) written references (preferably from hospitals), plus two (2) facility verifications; j) Disciplinary Action Report from the Federation of State Medical Boards and the California Medical Board; and k) Proof of current, unrestricted certification to participate in the Medicare and Medi-Cal programs.

1.4 Notification Requirements. CONTRACTOR shall be required to notify NMC in writing within 24 hours after the occurrence of any events as specified in Section 1.7 of this Agreement.

1.5 CONTRACTOR Assurance of Locums Tenens Practitioner Compliance. CONTRACTOR shall expressly require and assure that all *locum tenens* practitioners referred by CONTRACTOR to NMC comply with the following performance requirements:

1.5.1. Compliance in all respects with Business Associates Agreement and all applicable confidentiality requirements (Exhibit "B").

1.5.2. Compliance in all respects with the Certification of Physician for County of Monterey (Exhibit "C").

1.5.3. Compliance in all respects with NMC's policies, NMC's Medical Staff Bylaws and Rules and Regulations, and with all applicable Medical Staff policies and protocols.

1.5.4. Performance of medical duties in accordance at all times with NMC's Code of Conduct for Medical Staff members (Exhibit "D").

1.5.5. Comply fully with all Federal and State health information confidentiality laws, regulations and related requirements, including but not limited to, the Federal HIPAA and HITECH laws, and the California State Confidentiality of Medical Information Act.

1.6 CONTRACTOR's Obligations.

1.6.1. CONTRACTOR, shall furnish to NMC, upon NMC's request, referrals for *locum tenens* provider(s), for the period requested by NMC and in the Specialty or Specialties identified by NMC (pursuant to Exhibit "A"), to provide medical services to NMC's Patients, upon the terms and subject to the conditions set forth in this Agreement.

1.6.2. CONTRACTOR shall require that all *locum tenens* Physicians referred pursuant to this Agreement provide timely initial care and follow-up services for all NMC patients treated by such *locum tenens* Physician, regardless of the patient's ability to pay for services.

1.6.3. CONTRACTOR's provision to NMC of one (1) or more *locum tenens* Physicians to provide the Services under this Agreement shall be subject to NMC's prior written approval, which approval may be given, withheld or conditioned by NMC in its sole discretion. In the event NMC withholds approval with respect to any particular *locum tenens* Physician. CONTRACTOR shall furnish a substitute *locum tenens* Physician who is acceptable to NMC.

1.6.4. CONTRACTOR shall require that, during the term of this Agreement, any and all *locum tenens* Physicians providing services to NMC satisfy the professional standards and qualifications set forth in this Agreement, and comply with all obligations, prohibitions, covenants and conditions imposed on CONTRACTOR pursuant to this Agreement.

1.6.5. CONTRACTOR shall ensure that all services are performed on the NMC's premises are provided by *locum tenens* Physicians who have been approved and accepted by NMC, and who have not been removed in accordance with this Agreement.

1.7 Medical Staff. CONTRACTOR shall require that each *locum tenens* Physician referred to NMC has been appropriately credentialed to work at NMC prior to commencing such work as a *locum tenens*, and has maintained all temporary clinical privileges at NMC as are necessary for the performance of *locum tenens* Physician's obligations under this Agreement.

1.8 Professional Qualifications. CONTRACTOR shall assure that each *locum tenens* Physician (1) has an unrestricted license to practice medicine in the State; (2) is board certified in his or her Specialty by the applicable medical specialty board approved by the American Board of Medical Specialties, or Board "eligible;" and (3) has and maintains a valid and unrestricted United States Drug Enforcement Administration ("DEA") registration.

1.9 Review of Office of the Inspector General ("OIG") Medicare Compliance Bulletins. The OIG from time to time issues Medicare compliance alert bulletins. To the extent applicable to CONTRACTOR's performance under this Agreement, CONTRACTOR

shall assure that each referred *locum tenens* Physician reviews, is familiar with and complies with all applicable requirements of such OIG compliance bulletins.

1.10 Use of Space. CONTRACTOR and each *locum tenens* Physician shall use NMC's premises and space solely and exclusively for the provision of *locum tenens* services, except in an emergency or with NMC's prior written consent.

1.11 Notification of Certain Events. CONTRACTOR shall notify NMC in writing within twenty-four (24) hours after the occurrence of any one or more of the following events involving each *locum tenens* Physician referred by CONTRACTOR to NMC who is on assignment at NMC:

1.11.1. CONTRACTOR or *locum tenens* Physician referred by CONTRACTOR becomes the subject of, or materially involved in, any investigation, proceeding, or disciplinary action by: Medicare and Medicaid programs or any other Federal health care program, as defined at 42 U.S.C. Section 1320a-7b(f) (collectively, the "Federal Health Care Programs") or state equivalent, any state's medical board, any agency responsible for professional licensing, standards or behavior, or any medical staff;

1.11.2. The clinical privileges of *locum tenens* Physician (referred to NMC by CONTRACTOR) at any other hospital are denied, suspended, restricted, revoked or voluntarily relinquished;

1.11.3. A *locum tenens* Physician referred by CONTRACTOR becomes the subject of any suit, action or other legal proceeding arising out of his or her professional services;

1.11.4. A referred *locum tenens* Physician's license to practice medicine in the State of California is restricted, suspended or terminated, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

1.11.5. A *locum tenens* Physician referred by CONTRACTOR is charged with or convicted of a criminal offense;

1.11.6. Any act of nature or any other event occurs which has a material adverse effect on CONTRACTOR's or referred *locum tenens* Physician's ability to provide the Services; or

1.11.7. CONTRACTOR or *locum tenens* Physician referred by CONTRACTOR is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program or state equivalent.

1.12 Representations and Warranties by CONTRACTOR. CONTRACTOR represents and warrants that as of the time of a referral of a *locum tenens* Physician to NMC: (a) the *locum tenens* Physician's license to practice medicine in any state has never been suspended, revoked or restricted; (b) the *locum tenens* Physician has never been reprimanded, sanctioned or disciplined by any licensing board or medical specialty board;

(c) neither CONTRACTOR nor *locum tenens* Physician has never been excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program; (d) the *locum tenens* Physician has never been denied membership and/or reappointment to the medical staff of any hospital or health care facility; (e) the *locum tenens* Physician's medical staff membership or clinical privileges at any hospital or health care facility has never been suspended, limited or revoked for a medical disciplinary cause or reason; and (f) the *locum tenens* Physician has never been charged with or convicted of a felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime relevant to the provision of medical services or the practice of medicine.

1.13 Medical Records.

1.13.1. CONTRACTOR shall require that each *locum tenens* Physician prepares complete, timely, accurate and legible medical and other records with respect to the services and treatment furnished to NMC patients, in accordance with the NMC Rules, federal and state laws and regulations, and standards and recommendations of such nationally recognized accrediting organization as NMC designates from time to time. All such information and records shall be: (i) prepared on forms developed, provided or approved by NMC; (ii) the sole property of NMC; and (iii) maintained at NMC in accordance with the terms of this Agreement and for so long as is required by applicable laws and regulations.

1.13.2. CONTRACTOR shall require that *locum tenens* Physicians maintain and upon request provide to NMC, and state and federal agencies, all financial books and records and medical records and charts as may be necessary for CONTRACTOR and/or NMC to comply with applicable state, federal, and local laws and regulations and with contracts between NMC and third party payors. CONTRACTOR shall assure that all such records and information are retained for at least ten (10) years following the expiration or termination of this Agreement and shall require *locum tenens* Physicians to preserve and maintain their records for a similar period. This Section 1.10 shall survive the expiration or termination of this Agreement.

1.14 Records Available to CONTRACTOR. Both during and after the term of this Agreement, NMC shall permit CONTRACTOR and/or *locum tenens* Physicians to inspect and/or duplicate, at CONTRACTOR's sole cost and expense, any medical chart and record to the extent necessary to assist in the defense of any malpractice or similar claim to which such chart or record may be pertinent, and/or to fulfill requirements pursuant to provider contracts to provide patient information; provided, however, such inspection or duplication is permitted and conducted in accordance with applicable legal requirements and pursuant to commonly accepted standards of patient confidentiality. CONTRACTOR shall be solely responsible for maintaining patient confidentiality with respect to any information which CONTRACTOR and/or *locum tenens* Physicians obtain pursuant to this Section.

1.14.1. 2.14 Independent Employees. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this

AGREEMENT are not employees of NMC (Monterey County), or immediate family of an employee of NMC.

TERM OF AGREEMENT

1.15 Term. The initial term of the AGREEMENT(s) will be for a period of one (1) year with the option to extend the AGREEMENT(s) four (4) additional one (1) year periods. NMC can elect not to extend or renew the Agreement without cause or reason.

1.16 Termination By NMC. NMC reserves the right to cancel this AGREEMENT(s), or any extension of this AGREEMENT(s), without cause, with a thirty calendar day (30) written notice, or immediately with good cause.

1.17 "Good cause" includes but is not limited to the occurrence of any one or more of the following events:

1.17.1. breach of this Agreement by CONTRACTOR where the breach is not cured within thirty (30) calendar days after NMC gives written notice of the breach to CONTRACTOR;

1.17.2. neglect of professional duty by CONTRACTOR in a manner that poses an imminent danger to the health or safety of any individual, or violates NMC's policies, rules or regulations;

1.17.3. breach by CONTRACTOR of any HIPAA Obligation (as defined in Section 13.1);

1.17.4. the insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement prior to the effective date of such termination, reduction, non-renewal or cancellation; or

1.17.5. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

1.18 Termination by CONTRACTOR. CONTRACTOR shall have the right to terminate this Agreement upon breach of this Agreement by NMC where the breach is not cured within thirty (30) calendar days after CONTRACTOR gives written notice of the breach to NMC.

1.19 Termination Without Cause by CONTRACTOR. CONTRACTOR may terminate this Agreement without cause, expense or penalty, effective sixty (60) calendar days after written notice of termination is given to NMC.

1.20 Effect of Termination or Expiration. Upon any termination or expiration of this Agreement:

1.20.1. All rights and obligations of the Parties shall cease except: (i) those rights and obligations that have accrued and remain unsatisfied prior to the termination or expiration of this Agreement; (ii) those rights and obligations which expressly survive termination or expiration of this Agreement; and (iii) *locum tenens* Physicians' obligation to continue to provide services to NMC patients under *locum tenens* Physicians' care at the time of expiration or termination of this Agreement, until the patient's course of treatment is completed or the patient is transferred to the care of another physician;

1.20.2. Upon NMC's request, CONTRACTOR and any *locum tenens* Physician shall immediately vacate the premises, removing any and all of CONTRACTOR's and *locum tenens* Physicians' personal property, and NMC may remove and store, at CONTRACTOR's expense, any personal property that either CONTRACTOR or any *locum tenens* Physician has not so removed;

1.20.3. CONTRACTOR and *locum tenens* Physicians shall immediately return to NMC all of NMC's property, including NMC's equipment, supplies, and patient records, in CONTRACTOR's or *locum tenens* Physicians' possession or under CONTRACTOR's or *locum tenens* Physicians' control;

1.20.4. CONTRACTOR and *locum tenens* Physicians shall not do anything or cause any other person to do anything that interferes with NMC's efforts to engage any other person or entity for the provision of the Services, or interferes in any way with any relationship between NMC and any other person or entity who may be engaged to provide the Services to NMC;

1.20.5. The expiration or termination of this Agreement shall not entitle CONTRACTOR or *locum tenens* Physicians to the right to a "fair hearing" or any other similar rights or procedures more particularly set forth in the Medical Staff bylaws or otherwise; and

1.20.6. This Section 3.7 shall survive the expiration or termination for any reason of this Agreement.

1.21 Immediate Removal of *Locum Tenens* Physicians. CONTRACTOR shall immediately remove any *locum tenens* Physician from furnishing Services under this Agreement who:

1.21.1. Has his or her clinical privileges at NMC terminated, suspended, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

1.21.2. Has his or her license to practice medicine in the State, DEA registration denied, suspended, restricted, terminated, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the

availability of civil or administrative hearing rights or judicial review with respect thereto;

1.21.3. Is convicted of a felony, a misdemeanor involving fraud, dishonesty, or moral turpitude, or any crime relevant to Professional Services or the practice of medicine;

1.21.4. Is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program or state equivalent;

1.21.5. Fails to satisfy any of the standards and qualifications set forth in Section 1.0 of this Agreement; or

1.21.6. Fails to be covered by the professional liability insurance required to be maintained under this Agreement or the Medical Staff Bylaws or Rules and Regulations.

1.22 Removal of *Locum Tenens* Physicians upon NMC Request. Upon written request by NMC, CONTRACTOR shall immediately remove and replace any *locum tenens* Physician from furnishing Services under this Agreement who:

1.22.1. Engages in conduct that, in NMC's good faith determination, jeopardizes the mental or physical health, safety or well-being of any person or damages the reputation of NMC;

1.22.2. Fails to comply with any other material terms or conditions of this Agreement after being given written notice of that failure and a reasonable opportunity to comply;

1.22.3. Is unable to perform services as required under this Agreement for more than seven (7) days;

1.22.4. Within a twelve (12) month period, has two (2) or more medical malpractice judgments filed against him or her, or he or she becomes the subject of two (2) or more proceedings by any NMC's Medical Staff regarding the performance of professional medical services; or

1.22.5. Is deemed not to fit well within the existing Medical Staff culture and structure.

1.23 Effect of Removal. Upon the removal of a *locum tenens* Physician pursuant to Section 3.9 or 3.10 of this Agreement, CONTRACTOR shall engage, at its cost and expense, and provide to NMC, a qualified substitute for the removed *locum tenens* Physician. Failure to take such action shall constitute a material breach of this Agreement. Nothing herein shall be construed to limit NMC's rights under Section 3.4 or any other provision of this Agreement.

COMPENSATION AND PAYMENTS

1.24 It is mutually understood and agreed by both parties that CONTRACTOR shall be compensated under this AGREEMENT in accordance with the pricing sheet attached hereto as Exhibit "A".

1.25 Prices shall remain firm for the initial term of this AGREEMENT and, thereafter, may be adjusted annually as provided in this paragraph. NMC does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.

1.26 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of this AGREEMENT. Both parties must agree upon any rate extension(s) or changes in writing.

1.27 Any discount offered by the CONTRACTOR must allow for payment after receipt and acceptance of services, material or equipment and correct invoice, whichever is later. In no case will a discount be considered that requires payment in less than 30 days.

1.28 CONTRACTOR shall levy no additional fees nor surcharges of any kind during the term of this AGREEMENT without first obtaining approval from NMC in writing.

1.29 Tax.

1.29.1. Pricing as per this AGREEMENT is inclusive of all applicable taxes.

1.29.2. County is registered with the Internal Revenue Service, San Francisco office, EIN number: 94-6000524. The County is exempt from Federal Transportation Tax; an exemption certificate is not required where shipping documents show Monterey County as consignee.

I.30 Separate Billing. Neither CONTRACTOR, nor *locum tenens* Physicians shall bill for, guarantee the ability to collect, or have any claim or interest in or to the amounts billed or collected by NMC. CONTRACTOR shall require and assure that *locum tenens* Physicians cooperate with NMC in completing such claim forms for NMC Patients as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors.

INVOICES AND PURCHASE ORDERS

1.31 Invoices from CONTRACTOR for all services rendered per this AGREEMENT shall be billed directly to the Natividad Medical Center Accounts Payable department at the following address:

Natividad Medical Center
Attn: Jeanne-Ann Balza, Physician Services
1441 Constitution Blvd., Building 300
Salinas, CA 93906

1.32 CONTACTOR shall reference the RFP/RFQ number on all invoices submitted to Natividad Medical Center. CONTRACTOR shall submit such invoices periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. NMC shall certify the invoice, either in the requested amount or in such other amount as Natividad Medical Center (Monterey County) approves in conformity with this AGREEMENT, and shall promptly submit such invoice to the County Auditor-Controller for payment. County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

1.33 All NMC Purchase Orders issued for the AGREEMENT are valid only during the fiscal year in which they are issued (the fiscal year is defined as July 1 through June 30).

1.34 Unauthorized Surcharges or Fees. Invoices containing unauthorized surcharges or unauthorized fees of any kind shall be rejected by NMC. Surcharges and additional fees not included the AGREEMENT must be approved by NMC in writing via an Amendment.

INDEMNIFICATION

1.35 CONTRACTOR shall indemnify, defend, and hold harmless County of Monterey, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this AGREEMENT, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with CONTRACTOR's performance of this AGREEMENT, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County of Monterey. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subCONTRACTORs.

1.36 Indemnification for Timely Payment of Tax Contributions. It is expressly agreed by the Parties hereto that no work, act, commission or omission of CONTRACTOR or any *locum tenens* Physician shall be construed to make or render CONTRACTOR or any *locum tenens* Physician the agent, employee or servant of County. CONTRACTOR and each *locum tenens* Physician agrees to indemnify, defend and hold harmless County and NMC from and against any and all liability, loss, costs or obligations (including, without limitation, interest, penalties and attorney's fees in defending against the same) against County or NMC based upon any claim that CONTRACTOR has failed to make proper and timely payment of any required tax contributions for itself, its employees, or its purported agents or independent CONTRACTORs.

1.37 Survival of Obligations. The Parties' obligations under this Article 6.0 shall survive the expiration or termination of this Agreement for any reason.

INSURANCE REQUIREMENTS

1.38 Evidence of Coverage.

1.38.1. Prior to commencement of this AGREEMENT, CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition CONTRACTOR upon request shall provide a certified copy of the policy or policies.

1.38.2. This verification of coverage shall be sent to the County of Monterey's Contracts/Purchasing Department, unless otherwise directed. CONTRACTOR shall not receive a "Notice to Proceed" with the work under this AGREEMENT until it has obtained all insurance required and such, insurance has been approved by County of Monterey. This approval of insurance shall neither relieve nor decrease the liability of CONTRACTOR.

1.39 Qualifying Insurers. All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by County of Monterey's Purchasing Officer.

1.40 Insurance Coverage Requirements. Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain or cause to be maintained in effect throughout the term of this AGREEMENT a policy or policies of insurance with the following minimum limits of liability:

1.40.1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence. If CONTRACTOR utilizes one or more subcontractors in the performance of this Agreement, CONTRACTOR shall obtain and maintain Independent Contractor Liability Insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of CONTRACTOR in this Agreement.

1.40.2 Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this AGREEMENT, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

1.40.3 Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this AGREEMENT, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

1.40.4 Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover CONTRACTOR and all referred *locum tenens* Physicians for liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, CONTRACTOR shall, upon the expiration or earlier termination of this AGREEMENT, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this AGREEMENT.

1.41 Other Insurance Requirements.

1.41.2 All insurance required by this AGREEMENT shall be placed with a company acceptable to County of Monterey and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this AGREEMENT, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this AGREEMENT.

1.41.3 Each liability policy shall provide that County of Monterey shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subCONTRACTOR, if any, performing work under this AGREEMENT, or be accompanied by a certificate of insurance from each subCONTRACTOR showing each subCONTRACTOR has identical insurance coverage to the above requirements.

1.41.4 Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County of Monterey and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

1.41.5 Prior to the execution of this AGREEMENT by County of Monterey, CONTRACTOR shall file certificates of insurance with County of Monterey's

contract administrator and County of Monterey's Contracts/Purchasing Division, showing that CONTRACTOR has in effect the insurance required by this AGREEMENT. CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this AGREEMENT, which shall continue in full force and effect.

1.41.6 CONTRACTOR shall at all times during the term of this AGREEMENT maintain in force the insurance coverage required under this AGREEMENT and shall send, without demand by County of Monterey, annual certificates to County of Monterey's Contract Administrator and County of Monterey's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County of Monterey shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this AGREEMENT, which entitles County of Monterey, at its sole discretion, to terminate this AGREEMENT immediately.

NON-DISCRIMINATION

1.42 During the performance of this contract, CONTRACTOR and referred *locum tenens* Physicians shall not unlawfully discriminate against any employee, applicant for employment or subCONTRACTOR based on race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sex, or sexual orientation. CONTRACTOR and referred *locum tenens* Physicians shall ensure that the evaluation and treatment of its employees, applicants and subCONTRACTORs for employment are free of such discrimination. CONTRACTOR and referred *locum tenens* Physicians shall comply with the provisions of the Fair Employment and Housing Act (Government Code, §12900, et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, §7285.0, et seq.).

1.43 The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, §12900, et seq., set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.

1.44 CONTRACTOR and referred *locum tenens* Physicians shall include the non-discrimination and compliance provisions of the clause in all agreements with subCONTRACTORs to perform work called for under this Agreement.

OVERRIDING CONTRACTOR PERFORMANCE REQUIREMENTS

1.45 Independent CONTRACTOR.

1.45.2 CONTRACTOR and each *locum tenens* Physician is and shall at all times be an independent CONTRACTOR with respect to NMC in the performance of CONTRACTOR's and any *locum tenens* Physician's obligations under this Agreement. Nothing in this Agreement shall be construed to create an employer/employee, joint venture, partnership, lease or landlord/tenant relationship between NMC and CONTRACTOR or NMC and any *locum tenens* Physician. Neither CONTRACTOR nor any *locum tenens* Physician shall hold himself or herself out as an officer, agent or employee of NMC, and shall not incur any contractual or financial obligation on behalf of NMC without NMC's prior written consent.

1.45.3 If the Internal Revenue Service ("IRS") or any other governmental agency should inquire about, question or challenge the independent CONTRACTOR status of CONTRACTOR or any *locum tenens* Physician with respect to County, the Parties hereto mutually agree that: (i) each shall inform the other Party hereto of such inquiry or challenge; and (ii) County and CONTRACTOR shall each have the right to participate in any discussion or negotiation occurring with the taxing agency, regardless of who initiated such discussions or negotiations. In the event the taxing agency concludes that an independent CONTRACTOR relationship does not exist, County may terminate this Agreement effective immediately upon written notice. In the event of such termination, the Parties remain free to negotiate an employer/employee contract with any *locum tenens* Physician.

1.46 No Benefit Contributions. NMC shall have no obligation under this Agreement to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, CONTRACTOR or any other person employed or retained by CONTRACTOR. Notwithstanding the foregoing, if NMC determines or is advised that it is required by law to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, CONTRACTOR or any other person employed or retained by CONTRACTOR, CONTRACTOR shall reimburse NMC for any such expenditure within thirty (30) calendar days after being notified of such expenditure.

1.47 Referrals. CONTRACTOR shall ensure that no *locum tenens* Physician refers any NMC Patient to any provider or health care services facility which either CONTRACTOR or any *locum tenens* Physician knows or should have known is excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program or state equivalent. Further, CONTRACTOR shall require that no *locum tenens* Physician refer any NMC patient to any provider or health care services facility unless such referral is in full compliance with all applicable law, including without limitation 42 U.S.C. Section 1395nn, commonly known as the Stark law, 42 U.S.C. Section 1320a-7b(b), commonly known as the Federal Health Care Program Anti-kickback Statute, and similar California laws. CONTRACTOR will provide any information which may be requested from time to time by NMC in order to verify CONTRACTOR's and *locum tenens* Physicians' compliance with these referral

restrictions. Notwithstanding any other provision of this Agreement, if CONTRACTOR or a *locum tenens* Physician makes a referral of a NMC patient in violation of this Section 9.3, NMC may immediately terminate this Agreement. In the event that any governmental agency, any court or any other judicial body of competent jurisdiction, as applicable, issues an opinion, ruling or decision that any payment, fee or consideration provided for hereunder is made or given in return for patient referrals, either Party may at its option terminate this Agreement with three (3) days' notice to the other Party. CONTRACTOR's rights under this Agreement shall not be dependent in any way on the referral of patients or business to NMC or any Affiliate by CONTRACTOR, *locum tenens* Physician or any person employed or retained by CONTRACTOR.

1.48 CONTRACTOR Compensation Arrangements. CONTRACTOR represents and warrants to NMC that the compensation paid or to be paid by CONTRACTOR to any physician is and will at all times be fair market value for services and items actually provided by such physician, not taking into account the value or volume of referrals or other business generated by such physician for NMC or any Affiliate.

1.49 Cooperation.

1.49.2 The Parties recognize that, during the term of this Agreement and for an undetermined time period thereafter, certain risk management issues, legal issues, claims or actions may arise that involve or could potentially involve the Parties and their respective employees and agents. The Parties further recognize the importance of cooperating with each other in good faith when such issues, claims or actions arise, to the extent such cooperation does not violate any applicable laws, cause the breach of any duties created by any policies of insurance or programs of self-insurance, or otherwise compromise the confidentiality of communications or information regarding the issues, claims or actions. As such, the Parties hereby agree to cooperate in good faith, using their best efforts, to address such risk management and legal issues, claims, or actions.

1.49.3 The Parties further agree that if a controversy, dispute, claim, action or lawsuit (each, an "Action") arises with a third party wherein both the Parties are included as defendants, each Party shall promptly disclose to the other Party in writing the existence and continuing status of the Action and any negotiations relating thereto. Each Party shall make every reasonable attempt to include the other Party in any settlement offer or negotiations. In the event the other Party is not included in the settlement, the settling Party shall immediately disclose to the other Party in writing the acceptance of any settlement and terms relating thereto, if allowed by the settlement agreement.

1.50 Right of Inspection. Upon reasonable prior written notice, NMC and County officials and their designees may inspect the books and records of CONTRACTOR which are necessary to determine that work performed by CONTRACTOR or any *locum tenens* Physician to patients hereunder is in accord with the requirements of this Agreement.

Such inspection shall be made in a manner so as not to disrupt the operations of NMC or CONTRACTOR.

1.51 Access to and Audit of Records. NMC shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subCONTRACTORs related to services provided under this Agreement. Pursuant to Government Code Section 8546.7, if this Agreement involves the expenditure of public funds in excess of Ten Thousand Dollars ($10,000), the Parties may be subject, at the request of NMC or as part of any audit of NMC, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three (3) years after final payment under the Agreement.

1.52 Non-Assignment. CONTRACTOR shall not assign this contract or the work required herein without the prior written consent of County.

CONFLICT OF INTEREST

1.53 CONTRACTOR covenants that CONTRACTOR, its responsible officers, and its employees having major responsibilities for the performance of work under the AGREEMENT, presently have no interest and during the term of this AGREEMENT will not acquire any interests, direct or indirect, which might conflict in any manner or degree with the performance of CONTRACTOR'S services under this AGREEMENT.

COMPLIANCE WITH APPLICABLE LAWS

1.54 CONTRACTOR shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT.

1.55 CONTRACTOR shall report immediately to Natividad Medical Center's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

1.56 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations and guidelines that are in force at the time such documentation is prepared.

1.57 Compliance with Medicare Rules. To the extent required by law or regulation, CONTRACTOR shall make available, upon written request from NMC, the Secretary of Health and Human Services, the Comptroller General of the United States, or any other duly authorized agent or representative, a copy of this Agreement and CONTRACTOR's books, documents and records. CONTRACTOR shall preserve and make available such books, documents and records for a period of ten (10) years after the end of the term of this Agreement, or the length of time required by state or federal law. If CONTRACTOR is requested to disclose books, documents or records pursuant

to this Section for any purpose, CONTRACTOR shall notify NMC of the nature and scope of such request, and CONTRACTOR shall make available, upon written request of NMC, all such books, documents or records. CONTRACTOR shall indemnify and hold harmless NMC if any amount of reimbursement is denied or disallowed because of CONTRACTOR's failure to comply with the obligations set forth in this Section. Such indemnity shall include, but not be limited to, the amount of reimbursement denied, plus any interest, penalties and legal costs. This Section shall survive the expiration or termination for any reason of this Agreement.

If CONTRACTOR carries out any of the duties of the contract through a subcontract, with a value or cost of Ten Thousand Dollars ($10,000) or more over a twelve (12) month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such Services pursuant to such subcontract, the related organization shall make available, upon written request by the Secretary, or upon request by the Comptroller General, or any of their duly authorized representatives, the subcontract and books, documents and records of such organization that are necessary to verify the nature and extent of such costs.

RECORDS AND CONFIDENTIALITY

1.58 Confidentiality.

1.58.2 CONTRACTOR and its officers, employees, agents, and subCONTRACTORs, including but not limited to, referred *locum tenens* Physicians, shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose, and shall require that referred *locum tenens* Physicians not disclose any confidential records or other confidential information received from the County of Monterey or prepared in connection with the performance of this AGREEMENT, unless County of Monterey specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County of Monterey any and all requests for disclosure of any such confidential records or information. Neither CONTRACTOR nor any *locum tenens* Physician referred by CONTRACTOR shall use any confidential information gained by CONTRACTOR in the performance of this AGREEMENT except for the sole purpose of carrying out CONTRACTOR's obligations under this AGREEMENT.

1.58.3 Confidential Information includes information and data relating to payor contracts and accounts, clients, patients, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data. "Confidential Information" further includes Trade Secrets and any information related to the past, current or proposed operations, business or strategic plans, financial statements or reports, technology or services of NMC or any Affiliate that NMC discloses or otherwise makes available in any manner to CONTRACTOR or *locum tenens* Physicians referred by CONTRACTOR, or to which CONTRACTOR or *locum tenens* Physicians may gain access in the performance of the Services under this Agreement, or which CONTRACTOR or

any *locum tenens* Physician knows or has reason to know is confidential information of NMC or any Affiliate. By way of example, but not limitation, Confidential Information includes any and all know-how, processes, manuals, confidential reports, procedures and methods of NMC, any NMC patient's individually identifiable health information (as defined under HIPAA), and any information, records and proceedings of NMC and/or Medical Staff committees, peer review bodies, quality committees and other committees or bodies charged with the evaluation and improvement of the quality of care. Confidential Information also includes proprietary or confidential information of any third party that may be in NMC's or any Affiliate's possession.

1.58.4 Confidential Information shall be and remain the sole property of NMC, and shall, as applicable, be proprietary information protected under the Uniform Trade Secrets Act. CONTRACTOR shall protect and shall assure that all *locum tenens* Physicians protect all Confidential Information from unauthorized use, access, or disclosure in the same manner as CONTRACTOR and any *locum tenens* Physician protects his, her, or its own confidential or proprietary information of a similar nature and with no less than reasonable care. All documents that CONTRACTOR and *locum tenens* Physicians prepare, or Confidential Information that might be given to CONTRACTOR in the course of providing Services under this Agreement, are the exclusive property of NMC, and, without the prior written consent of NMC, shall not be removed from NMC's premises.

1.58.5 This Section shall survive the expiration or termination of this Agreement.

1.59 County of Monterey Records.

1.59.2 CONTRACTOR shall return and shall assure that *locum tenens* Physicians return to NMC all Confidential Information and all copies thereof in CONTRACTOR's and *locum tenens* Physicians' possession or control, and permanently erase all electronic copies of such Confidential Information, promptly upon the written request of NMC, or the termination or expiration of this Agreement. CONTRACTOR shall assure that no *locum tenens* Physician shall copy, duplicate or reproduce any Confidential Information without the prior written consent of NMC.

1.60 Maintenance of Records.

1.60.2 CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, County of Monterey and Natividad Medical Center rules and regulations related to services performed under this AGREEMENT.

1.61 Access to and Audit of Records.

1.61.2 Natividad Medical Center (Monterey County) shall have the right to examine, monitor and audit all records, documents, conditions, and activities of CONTRACTOR and its subCONTRACTORs, including but not limited to *locum*

tenens Physicians, relating to services provided under this AGREEMENT. The parties to this AGREEMENT may be subject, at the request of Natividad Medical Center (Monterey County) or as part of any audit of County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this AGREEMENT for a period of three years after final payment under the AGREEMENT.

INFORMATION PORTABILITY AND ACCOUNTABILITY ACT – HIPAA COMPLIANCE

1.62 Compliance with HIPAA. CONTRACTOR and *locum tenens* Physicians shall comply with the obligations under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d, et seq.), as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 ("HITECH"), and all rules and regulations promulgated thereunder (collectively, "HIPAA," the obligations collectively referred to herein as "HIPAA Obligations"), as set forth in Exhibit "B". The HIPAA Obligations shall survive the expiration or termination of this Agreement for any reason.

REQUIREMENTS FOR WORK SERVICES PERFORMED AT NMC

1.63 CONTRACTOR shall procure all necessary permits and licenses and abide by all applicable laws, regulations and ordinances of the United States and of the State of California. The Agency will be in compliance with Title 22, OSHA, Federal and State Labor Laws and the Joint Commission on Accreditation of Health Care Organizations.

FORCE MAJEURE

1.64 "Force Majeure" means any cause beyond the reasonable control of a party, including but not limited to acts of God, civil or military disruption, fire, strike, flood, riot, war, or inability due to the aforementioned causes to obtain necessary labor, materials or facilities.

1.65 If any party hereto is delayed or prevented from fulfilling its obligations under this AGREEMENT by Force Majeure, said party will not be liable under this AGREEMENT for said delay or failure, nor for damages or injuries resulting directly from the inability to perform scheduled work due to Force Majeure.

1.66 CONTRACTOR shall be granted an automatic extension of time commensurate with any delay in performing scheduled work arising from Force Majeure. CONTRACTOR agrees to resume such work within three (3) days after the Force Majeure has subsided enough to do so.

RIGHTS AND REMEDIES OF THE COUNTY FOR DEFAULT

1.67 In the case of default by CONTRACTOR, NMC may procure the articles or services from other sources and may recover the loss occasioned thereby from any unpaid balance due to CONTRACTOR or by proceeding against any performance bond of CONTRACTOR, if any, or by suit against CONTRACTOR. The prices paid by NMC shall be considered the prevailing market price at the time such purchase(s) may be made. Inspections of deliveries or offers for deliveries that do not meet specifications shall be made at the expense of CONTRACTOR.

TRAVEL REIMBURSEMENT

1.68 Rates are all-inclusive of travel expenses. There shall be no travel reimbursement affiliated with the AGREEMENT.

EMERGENCY SITUATIONS

1.69 CONTRACTOR shall provide the name and contact information of a representative who shall be available 24 hours a day, 7 days a week, in the event of an emergency. During the emergency, CONTRACTOR shall provide NMC with all available supplies, materials, equipment and/or services on a priority basis.

ACCESSIBILITY

1.70 CONTRACTOR shall inform itself regarding any peculiarities and limitations of the spaces available for the installation of all work and materials furnished and installed under the AGREEMENT. CONTRACTOR shall exercise due and particular caution to determine that all parts of CONTRACTOR's work are made quickly and easily accessible.

NOTICES

1.71 Non-Assignment: CONTRACTOR shall not assign this contract or the work required herein without the prior written consent of NMC.

1.72 Notices required to be given to the respective parties under this AGREEMENT shall be deemed given by any of the following means: (1) when personally delivered to Natividad Medical Center's (County of Monterey's) contract manager or to CONTRACTOR's responsible officer; (2) when personally delivered to the party's principle place of business during normal business hours, by leaving notice with any person apparently in charge of the office and advising such person of the import and contents of the notice; (3) 24 hours after the notice is transmitted by FAX machine to the other party, at the party's FAX number specified pursuant to this AGREEMENT, provided that the party giving notice by FAX must promptly confirm receipt of the FAX by telephone to the receiving party's office; or, (4) three (3) days after the notice is deposited in the U. S. Mail with first class or better postage fully prepaid, addressed to the party as indicated below.

Notices mailed or faxed to the parties shall be addressed as follows:

TO NMC:

Natividad Medical Center
Attn: Physician Services
1441 Constitution Blvd
Salinas, CA 93906
FAX No.: (831) 755-6257

TO CONTRACTOR:

Staff Care, Inc.
12400 High Bluff Drive, Suite 100
San Diego, CA 92130
Phone: 858-792-0711
FAX:

LEGAL DISPUTES

1.73 CONTRACTOR agrees that this AGREEMENT, and any dispute arising from the relationship between the parties to this AGREEMENT, shall be governed and interpreted under the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.

1.74 Any dispute that arises under or relates to this AGREEMENT (whether contract, tort, or both) shall be resolved in the Superior Court of California in Monterey County, California.

1.75 CONTRACTOR shall continue to perform under this AGREEMENT during any dispute.

GENERAL PROVISIONS

1.76 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

1.77 Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties. Subject to Section 22.3, no other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Agreement.

1.78 Exhibits. The attached Exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Agreement and are incorporated by reference into this Agreement, wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

1.79 Litigation Consultation. CONTRACTOR shall ensure that no *locum tenens* Physician accepts consulting assignments or otherwise contract, agree, or enter into any arrangement to provide expert testimony or evaluation on behalf of a plaintiff in connection with any claim against NMC or any Affiliate named, or expected to be named as a defendant. CONTRACTOR shall ensure that no *locum tenens* Physician

accepts similar consulting assignments if (a) the defendants or anticipated defendants include a member of the medical staff of NMC or any Affiliate; and (b) the matter relates to events that occurred at NMC or any Affiliate; provided, however, the provisions of this Section shall not apply to situations in which a *locum tenens* Physician served as a treating physician.

1.80 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of this Agreement.

1.81 Statutes and Regulations. Any reference in this Agreement to any statute, regulation, ruling, or administrative order or decree shall include, and be a reference to any successor statute, regulation, ruling, or administrative order or decree.

1.82 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

Signature page to follow

NATIVIDAD MEDICAL CENTER

By: _____
Gary R. Gray, DO, Interim CEO

Date: 9/15/15

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: Sept 14, 2015

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Deputy Auditor/Controller

Date: 9-15-15

CONTRACTOR

Staff Care, Inc.
Contractor's Business ~~Name~~*** (see instructions)

_____
Signature of Chair, President, or ~~Vice-President~~

Bonnie Britton, SVP
Name and Title

Date: 8/27/15

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

_____
Name and Title

Date: _____

***__Instructions:__**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

RFP #9600-61 EXHIBIT A

RATE SHEET FOR SPECIALTY SERVICES

(rates proposed are all-inclusive of travel and administrative fees)

Bidders are required to complete this sheet and submit it with their proposals.

SPECIALTY	HOURLY	DAILY (8 hr day unless otherwise specified)	HOLIDAY/ OVERTIME HOURLY (additional hours not included in daily rate)	24 HOUR CALL (includes 8 hours of patient care)	Permanent Placement Fee
Anesthesiology	$ 256.00	$ 2,048.00	$ 380.00	$ 2,048.00	$ 40,000.00
Cardiology	$ 256.00	$ 2,048.00	$ 350.00	$ 2,050.00	$ 40,000.00
Cardiology, Interventional	$ 375.00	$ 3,000.00	$ 395.00	$ 3,000.00	$ 40,000.00
Cardiology, Invasive	$ 300.00	$ 2,400.00	$ 390.00	$ 3,000.00	$ 40,000.00
Critical Care/ ICU (9 hour day)	$ 345.00	$ 2,200.00			$ 40,000.00
Critical Care Surgery (24 hour in-house)	$ 415.00	$ 3,320.00	$ 450.00	$ 3,300.00	$ 45,000.00
Certified Registered Nurse Anesthetist (CRNA)	$149.00	$ 1,192.00	$ 225.00	$ 1,192.00	$ 40,000.00
Dermatology	$ 313.00	$ 2,504.00	$ 350.00	$ 2,400.00	$ 45,000.00
Emergency Medicine	$ 320.00	$ 2,560.00			$ 40,000.00
Family Practice , Ambulatory Care					
Family Practice	$155.00	$ 1,240.00	$ 240.00	$ 1,350.00	$ 35,000.00
Family Practice with OB					
Gastroenterology	$ 300.00	$ 2,400.00	$ 370.00	$ 2,400.00	$ 40,000.00
Surgery (General)	$ 248.00	$ 1,984.00	$ 325.00	$ 1,900.00	$ 45,000.00
Hematology/Oncology	$ 256.00	$ 2,048.00	$ 300.00	$ 1,950.00	$ 40,000.00
Hospitalist - Primary Care	$ 225.00	$ 1,800.00	$ 305.00	$ 1,900.00	$ 40,000.00
Internal Medicine	$155.00	$ 1,240.00	$ 240.00	$ 1,350.00	$ 35,000.00
Infectious Disease	$218.00	$ 1,744.00	$ 300.00	$ 1,700.00	$ 40,000.00
Neonatology	$325.00	$ 2,600.00	$ 350.00	$ 2,700.00	$ 40,000.00
Nephrology	$219.00	$ 1,752.00	$ 300.00	$ 1,750.00	$ 40,000.00
Neurological Surgery	$469.00	$ 3,752.00	$ 550.00	$ 3,750.00	$ 45,000.00
Neurology	$244.00	$ 1,952.00	$ 345.00	$ 1,900.00	$ 40,000.00
Nurse Practitioner - Adult	$125.00	$ 1,000.00	$ 200.00	$ 1,025.00	$ 25,000.00
Nurse Practitioner - Neonatal					
Obstetrics and Gynecology (9 hour day)	$248.00	$ 1,984.00	$ 285.00	$ 1,850.00	$ 45,000.00
Occupational Medicine	$160.00	$ 1,280.00			$ 35,000.00
Ophthalmology (Surgery)	$207.00	$ 1,656.00	$ 285.00	$ 1,600.00	$ 45,000.00
Orthopedic Surgery	$275.00	$ 2,200.00	$ 365.00	$ 2,200.00	$ 45,000.00
Otolaryngology (ENT)	$257.00	$ 2,056.00	$ 305.00	$ 2,000.00	$ 45,000.00
Pathology	$150.00	$ 1,200.00	$ 275.00	$ 1,200.00	$ 40,000.00
Pediatric Outpatient	$158.00	$ 1,264.00	$ 240.00	$ 1,350.00	$ 35,000.00
Pediatric Hospitalist	$215.00	$ 1,720.00	$ 300.00	$ 1,900.00	$ 40,000.00
Physical Medicine and Rehabilitation					
Physician Assistant	$125.00	$ 1,000.00	$ 200.00	$ 1,025.00	$ 25,000.00
Pulmonology Outpatient	$325.00	$ 1,952.00	$ 310.00	$ 1,950.00	$ 40,000.00
Radiology Diagnostic					
Radiology Interventional	$325.00	$ 2,600.00	$ 400.00	$ 2,600.00	$ 40,000.00
Urology	$288.00	$ 2,304.00	$ 320.00	$ 2,300.00	$ 45,000.00
Vascular Surgery	$325.00	$ 2,600.00	$ 350.00	$ 2,500.00	$ 45,000.00
Rate Adjustments:					
Annual rate increases shall not exceed 2% per contract year.					

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective August 1, 2015 ("Effective Date"), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Staff Care, Inc. ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

1. DEFINITIONS

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law , or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(f) use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1);

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within two (2) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents

agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within two (2) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

The Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R. § 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

4. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This Agreement may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of the HIPAA, HITECH or Red Flag Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

Staff Care Inc.
12400 High Bluff Dr. Suite 100
San Diego, CA 92129
Attn:
Phone: 858-792-0711
Fax:

If to Covered Entity, to:

Natividad Medical Center
1441 Constitution Blvd.
Salinas, CA 93906
Attn: NMC Contracts Division
Phone: (831) 755-4111
Fax: (831) 757-2592

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA.

5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

[BUSINESS ASSOCIATE]

By: _____

Print Name: Bonnie Britton

Print Title: Senior Vice President

Date: 8/27/15

COUNTY OF MONTEREY, ON BEHALF OF NATIVIDAD MEDICAL CENTER

By: _____

Print Name: Gary Gray

Print Title: Director

Date: 9/15/15

EXHIBIT C

CERTIFICATION OF PHYSICIAN FOR COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER

Each Physician signing acknowledges that he or she has read, understands, and agrees to be bound by the terms below. Furthermore, he or she certifies that they are in compliance with, and will continue to be in compliance with throughout the duration of their assignment, all representations, warranties, duties and obligations of Physician as set forth in the terms below:

PERFORMANCE STANDARDS.

Licenses and Certifications. Each Physician providing services shall be duly qualified and licensed to practice medicine in the State of California, and experienced and qualified in the medical practice of such Physician's practice specialty ("Specialty"). Each Physician shall, from and after the Effective Date, be and remain board certified in the Specialty by the applicable medical specialty board approved by the American Board of Medical Specialties or American Osteopathic Association (either, the "Certifying Board"); provided, however, that if a Physician is not certified in the Specialty by the Certifying Board as of the Effective Date, such Physician shall have a reasonable amount of time to obtain such certification, provided that such Physician diligently pursues such certification in accordance with the rules of the Certifying Board, and is certified in the Specialty by the Certifying Board.

Hospital Rules, Regulations and By-Laws. Each Physician shall provide the Services in strict accordance with all applicable Hospital rules, regulations, policies and procedures, and with any applicable Medical Staff Bylaws, Rules and Regulations, and rules of the Hospital department that supervises the Specialty (the "Department"). Each Physician shall be and remain a member of the Medical Staff of Hospital with medical privileges in good standing, including holding all Medical Staff credentials and privileges necessary to provide professional physician services in the Specialty.

Compliance Program. Each Physician shall attend educational or informational meetings as part of NMC's Compliance Program from time to time, as requested by NMC. All business relationships between Physician and NMC are to be at arm's length and must comply with applicable law and regulation(s) and NMC's policies and procedures, including NMC's Compliance Program and Code of Conduct, as they may be amended from time to time. Representations and Warranties by Physicians. Each Physician represents and warrants that: (i) Physician's license to practice medicine in any state has never been suspended, revoked or restricted; (ii) Physician has never been reprimanded, sanctioned or disciplined by any licensing board or medical specialty board; (iii) Physician has never been excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program; (iv) Physician has never been denied membership and/or reappointment to the medical staff of any hospital or health care facility; (v) Physician's medical staff membership or clinical privileges at any hospital or health care facility have never been suspended, limited or revoked for a medical disciplinary cause or reason; and (vi) Physician has never been charged with or convicted of a

felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime relevant to the provision of medical services or the practice of medicine.

Specific Compliance Requirements. In providing the Professional Services set forth in this Agreement, each Physician shall, without limitation: (i) comply with all applicable federal and state laws, rules and regulations of each governmental authority having jurisdiction over the Department and the outpatient clinic owned and operated by NMC (the "Clinic") including, without limitation, Titles 22 and 24 of the California Code of Regulations; (ii) comply with the NMC and Hospital Medical Staff Bylaws, rules, regulations and policies, and Hospital's quality assurance and utilization review functions; (iii) comply with the NMC Code of Conduct; (iv) actively participate in meeting the standards established from time to time for the Department and Hospital's Family Practice Residency Program; (v) as requested by Hospital's Service Chief or Chief Medical Officer, serve and actively participate in the various committees of Hospital's Medical Staff, as set forth in the Medical Staff Bylaws, rules and regulations; (vi) at all times comply with all applicable Federal Healthcare Program rules and regulations; (vii) is not currently suspended or barred from participation in any Federal Healthcare Program and is not the subject of a Federal Program compliance audit or investigation; and (viii) actively assist Hospital in assuring that Hospital meets the standards and requirements of the Joint Commission, Hospital licensure requirements and/or third party payor certification requirements applicable to Hospital.

Notification of Certain Events. Each Physician shall notify Hospital in writing within twenty-four (24) hours after becoming aware of the occurrence of any of the following events: A Physician becomes the subject of, or materially involved in, any investigation, proceeding, or disciplinary action by, any Federal Health Care Program, any state's medical board, any agency responsible for professional licensing, standards or behavior, or any hospital medical staff; A Physician's medical staff membership or any clinical privileges at any health care facility (including Hospital) are denied, suspended, terminated, restricted, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto; A Physician becomes the subject of any action or proceeding arising out of such Physician's professional services; A Physician is charged with a felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime related to such Physician's practice of medicine; A Physician violates, or causes any other person or entity to violate, the Hospital Code of Conduct, and/or Hospital's corporate integrity program; A Physician is excluded from or restricted in any manner from participation in a Federal Healthcare Program; Any other event occurs with respect to a Physician that materially interrupts or affects all or a portion of such Physician's ability to perform his/her obligations under this Agreement; A Physician's license to practice medicine in the State or any other jurisdiction, or a Physician's Drug Enforcement Agency registration, is suspended, restricted, terminated, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto; or A Physician's insurance policy required under this Agreement is terminated, not renewed, cancelled or reduced in coverage.

Continuing Education. Each Physician shall, from and after the Effective Date, participate in continuing education as necessary to maintain licensure, professional competence and skills commensurate with the standards of the medical community for the Specialty. Billing for Professional Services. To the extent permitted by law, each Physician acknowledges and agrees that Hospital shall be solely responsible for billing Federal Health Care Programs, Managed Care Organizations, and other third party payors and patients for Professional Services performed by each Physician under this Agreement, and collecting such fees and charges. Neither Physician nor any other person shall attempt to bill and collect from any patient, payor or any other person for any of a Physician's Professional Services, other than as described in this Agreement. Each Physician shall assist NMC in securing any necessary physician provider enrollments and related paperwork, including Medicare and Medicaid supplier numbers, NPIs, and any reassignment forms necessary to permit payment to NMC (e.g., CMS Form 855s). Copies of pertinent documents will be provided to NMC immediately upon request. Each Physician and NMC agree that charges, coding and reimbursement procedures will follow established Medicare guidelines in effect upon the date the service is provided.

PAYMENT CONDITIONS

Time Reporting. Each Physician agree to: (i) prepare and submit accurate and complete time records documenting separately the time spent by each Physician rendering Professional Services and/or Provider Services, on forms acceptable to Hospital; (ii) at such times as requested by Hospital, execute and update a written allocation agreement, on a form furnished by Hospital, specifying the respective amounts of time to be spent in furnishing Professional Services, Provider Services, and any services which do not fall into either category, and/or executing and updating such other agreement(s) as may be required by the Federal Health Care Programs from time to time; and (iii) retain such allocation agreement and all amendments thereto, and all time records and other agreements required by this Section, for not less than four (4) years after the end of Hospital's fiscal year to which such documents relate. The Hospital and each Physician acknowledge and agree that the sole purpose of recording hours of activity and of determining compensation based thereon is the imposition of rules and regulations pursuant to the Federal Health Care Programs, and does not constitute an employer/employee relationship.

RECORDS AND CONFIDENTIALITY

Confidentiality. Physician, shall comply with the applicable provisions of the Administrative Simplification section of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. § 1320 through d-8 ("HIPAA"), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 C.F.R. Part 164, and the federal security standards as contained in 45 C.F.R. Part 142 (collectively, the "Regulations"). Each Physician shall not use or further disclose any protected health information, as defined in 45 C.F.R. § 164.504, or individually identifiable health information, as defined in 42 U.S.C. § 1320d (collectively, the "Protected Health Information"), of Hospital patients, other than as permitted by this Agreement, Hospital policies and procedures, and the requirements of HIPAA or the Regulations. Each Physician shall implement appropriate safeguards to prevent the use or disclosure of Protected Health Information other than as contemplated by this Agreement. Each Physician shall promptly report

to Hospital any use or disclosures, of which Physician becomes aware, of Protected Health Information in violation of HIPAA or the Regulations. In the event that Physician contracts with any agents to whom Physician provides Protected Health Information, such Physician shall include provisions in such agreements pursuant to which the Physician and such agents agree to the same restrictions and conditions that apply to Physician with respect to Protected Health Information. Each Physician shall make each Physician's internal practices, books and records relating to the use and disclosure of Protected Health Information available to the Secretary to the extent required for determining compliance with HIPAA and the Regulations. No attorney-client, accountant-client or other legal or equitable privilege shall be deemed to have been waived by each Physician or Hospital by virtue of this Section. The provisions set forth herein shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

Medical Records. Each Physician shall prepare and maintain, or cause to be prepared and maintained, complete medical records, in accordance with Hospital requirements for documentation, timeliness and completeness, for each patient who is treated by a Physician at Hospital, including but not limited to within the Department or the Clinic. Said medical records shall, at all times, be the property of Hospital, but each Physician shall have reasonable access to such medical records and shall have the right to make copies thereof, at such Physician's sole cost and expense, upon reasonable notice to Hospital to do so.

Sign Name: _____

Print Name: _____

Specialty: _____

Date: _____

EXHIBIT D

Natividad MEDICAL CENTER

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 08/11
Standard: MSP004-2	**Approved: MEC** 08/11 **BOT** 09/11

As a member of the Medical Staff or an Allied Health Professional (AHP) of Natividad Medical Center (NMC) (collectively Practitioners), I acknowledge that the ability of Practitioners and NMC employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team. I recognize that patients, family members, visitors, colleagues and NMC staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of NMC, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at NMC, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the NMC health care team.

2. Recognize the individual and independent responsibilities of all other members of the NMC health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, NMC employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Contribute to the overall educational mission of NMC.

6. Reflect positively upon the reputation of the health care profession, the Medical Staff, and NMC in their language, action, attitude, and behavior.

Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior. Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of NMC, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at NMC, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the NMC health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude and behavior which consistently convey to patients, families, colleagues, and all other members of the NMC health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all NMC professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post-discharge planning and follow-up.

6. Respect the right of patients, families or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within NMC with courtesy, respect, and human dignity.

8. Conduct one's practice at NMC in a manner that will facilitate timely commencement of medical/surgical procedures at NMC, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of NMC owned property.

2. Falsification of medical records, including timekeeping records and other NMC documents.

3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or NMC employees should be reported on a NMC Quality Review Report form and submitted pursuant to NMC policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

    b. Harassing conduct includes, but is not limited to:

        1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

        2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on NMC's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects;

10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages;

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling or shouting at a person, or threatening violence or retribution;

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of NMC staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at NMC who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident on a NMC Quality Review Report form.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.