

## C O N T R A C T

The COUNTY OF SAN BENITO ("COUNTY") and COUNTY OF MONTEREY ("CONTRACTOR") enter into this contract which shall be effective on the date stated in Paragraph 1.

1. **Duration of Contract.**

This contract shall commence on March 1, 2019 and end on June 30, 2021, unless sooner terminated as specified herein.

2. **Scope of Services.**

CONTRACTOR, for COUNTY's benefit shall perform the services specified on Attachment A to this contract. Attachment A is made a part of this contract.

3. **Compensation for Services.**

In consideration for CONTRACTOR's performance, COUNTY shall pay compensation to CONTRACTOR according to the terms specified in Attachment B. Attachment B is made a part of this contract.

4. **General Terms and Conditions.**

The rights and duties of the parties to this contract are governed by the general terms and conditions mutually agreed to and listed in Attachment C. Attachment C is made a part of this contract.

5. **Insurance Limits.**

CONTRACTOR shall maintain the following insurance policy limits of coverage consistent with the further insurance requirements specified in Attachment C.

- (a) Comprehensive general liability insurance: \$1,000,000
- (b) Professional liability insurance: \$1,000,000
- (c) Comprehensive motor vehicle liability insurance: \$1,000,000

6. **Termination.**

The number of days of advance written notice required for termination of this contract with or without cause is thirty (30) days.

7. **Specific Terms and Conditions** (*check one*)

- There are no additional provisions to this contract.
- The rights and duties of the parties to this contract are additionally governed by the specific, additional terms mutually agreed to and listed in Attachment D. Attachment D is made a part of this contract.
- The rights and duties of the parties to this contract are additionally governed by the specific, additional terms mutually agreed to and listed in Attachment E. Attachment E is made a part of this contract.

**8. Information about Contract Administrators.**

The following names, titles, addresses, and telephone numbers are the pertinent information for the respective contract administrators for the parties.

Contract Administrator for COUNTY:

Contract Administrator for CONTRACTOR:

Name: Alan Yamamoto

Name: Dr. Gary Gray

Title: Behavioral Health Director

Title: CEO

Address: 1131 San Felipe Rd  
Hollister, CA 95023

Address: PO Box 81611  
Salinas, CA 93912

Telephone No: (831) 636-4020

Telephone No: (831) 783-2553

Fax No: (831) 636-4025

Fax No: (831) 755-6254

**SIGNATURES**

APPROVED BY COUNTY:

APPROVED BY CONTRACTOR:

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

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

Chair, San Benito County Board of Supervisors

Title: Chief Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO LEGAL FORM:**

San Benito County Counsel

By: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO FORM**  
*Steph Sells*  
**DEPUTY COUNTY COUNSEL**  
**COUNTY OF MONTEREY**

Reviewed as to fiscal provisions

*[Signature]*  
Auditor-Controller  
County of Monterey

18-19  
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## ATTACHMENT A

### **Scope of Services**

1 The **Mental Health Unit (MHU)** will provide acute psychiatric inpatient services at Natividad Medical Center to COUNTY responsible patients, as defined in Attachment B, Section B-4(e), as necessary to meet the needs of the patient, when such services are available and CONTRACTOR has the bed capacity to provide such services:

- a. Acute Psychiatric Inpatient Care will include medical and psychiatric evaluations, psychological and social assessments, when ordered after admission to the mental health unit by the patient's attending physician, laboratory testing for physical illness causing or complicating mental health care, individual and group therapy, other treatments, as indicated, such as recreational and occupational therapies. Effective treatment will be of high standard in the least restrictive mode.

### 2 SERVICES INCLUDED

- a. Routine Laboratory Studies:

MHU will provide, as part of its all-inclusive rate, standard medical tests that are provided as the standard of care for an inpatient behavioral health stay.

- b. Routine Medical Examinations:

MHU professional fees are excluded from this agreement. MHU professional fees may be charged by the Monterey County Behavioral Health Department.

- c. Special Medical Examinations:

Standard medical tests that are provided as the standard of care for an inpatient behavioral health stay are included in the rates listed in Attachment B.

Non-psychiatrically related medical or dental care will be charged either to the patient or the other third party medical care programs, i.e. Medi-Cal, private insurance.

- d. Medications:

Routine medications necessary for patient's care in treatment will be provided while in the hospital. Patients will be provided prescription(s) at the time of discharge, as necessary for continuity of medical treatment.

- e. Conduct of Care:

Care provided to patients will be in accordance with Joint Commission standards, Medical Staff By-Laws and Rules and Regulations, Hospital By-Laws and Rules and Regulations of the Department of Psychiatry of Natividad Medical Center. There will be individualized treatment plans and documented daily progress notes indicating results of treatment, changes in medication, complications to treatment, changes in legal status and other pertinent matters relating to the patient's care.

As clinically feasible, the patients will be allowed full participation in routine treatment activities including individual and group psychotherapy, occupational therapy, activities and community meetings. Patients shall be given complete information and education about psychotropic medications, the side effects, dosages and reasons for their use. All voluntary patients must have signed consent to receive psychotropic medications and be provided with written information about their particular medications, if they so request.

**END OF ATTACHMENT A**

**ATTACHMENT B**

**Payment Schedule**

**B - 1. BILLING**

Charges for services rendered pursuant to the terms and conditions of this contract shall be invoiced on the following basis: (check one)

- One month in arrears.
- Upon the complete performance of the services specified in Attachment A.
- The basis specified in paragraph B-4.

**B - 2. PAYMENT**

COUNTY shall make payment to CONTRACTOR at the address specified in paragraph 8 of this contract, net thirty (30) days from the invoice date.

**B - 3. COMPENSATION**

COUNTY shall pay to CONTRACTOR: (check one)

- A total lump sum payment, or
- A total sum not to exceed two hundred fifty thousand dollars (\$250,000.00) for services rendered pursuant to the terms and conditions of this contract and pursuant to any special compensation terms specified in this Attachment B.

**B - 4. SPECIAL COMPENSATION TERMS: (Check one)**

- There are no additional terms of compensation
- The following specific terms of compensation shall apply: (specify)

- a. COUNTY agrees to pay CONTRACTOR monthly at the current county interim rate for mental

**REDACTED RATES**

- b. Exhaustion of COUNTY Funds. CONTRACTOR agrees and understands that services are to be provided for the entire contract period and that patients will be screened and selected on the basis of need for treatment and availability of funds. If, for any reason, COUNTY estimates that it will exhaust the amounts stated herein as the maximum financial obligation of the COUNTY, COUNTY shall provide CONTRACTOR with ninety (90) days notice prior to the exhaustion of funds.

Upon exhaustion by the COUNTY of the amounts stated herein as the maximum financial obligation of the COUNTY for the contract period, CONTRACTOR is relieved of any and all obligations under this Agreement and may terminate this Agreement. CONTRACTOR agrees to provide COUNTY with fifteen (15) days' notice prior to terminating this Agreement under this paragraph.

Should additional funds be obtained by COUNTY subsequent to exhaustion of COUNTY fund, COUNTY shall provide CONTRACTOR with fourteen (14) days' notice of additional funds and of willingness to renew this Agreement accordingly. Upon the agreement of CONTRACTOR to renew the Agreement, CONTRACTOR shall again be subject to all obligations under this Agreement for the remainder of the contract period.

- c. **Responsibility for Audit Exceptions.** Where COUNTY's funding sources under this Agreement are COUNTY and/or State appropriations, COUNTY is responsible for administering the program described herein. CONTRACTOR agrees to accept responsibility for receiving, replying, to and/or complying with any audit exceptions by appropriate Federal, State or County audit agencies. Appeals shall be handled by COUNTY through processes established by the State Department of Mental Health. CONTRACTOR also agrees to pay to COUNTY the full amount of any liability found to be due COUNTY as a result of said audit exceptions. COUNTY agrees to pay CONTRACTOR any additional amounts found to be due as a result of said audit exceptions, not to exceed the maximum financial obligation of COUNTY under this Agreement.
- d. **Overpayment/Underpayment.** When mutually agreed upon, overpayment or underpayment may be handled by adjustments to payments in subsequent fiscal year. Overpayment as determined by audits shall be payable to COUNTY within forty-five (45) days after of said determination. Overpayment held in excess of forty-five (45) days after demand has been made shall be subject to a penalty charge of a flat twelve (12%) percent per annum. Underpayment as determined by audits shall be payable to CONTRACTOR within forty-five (45) days after date of said determination. Underpayment held in excess of forty-five (45) days shall be subject to a penalty charge of a flat twelve (12%) percent per annum.
- e. **Eligibility and Billing Disputes.** COUNTY responsible patients are those patients who have no private insurance including Medi-Cal and/or Medicare and who have no private financial resources, specifically those clients whose financial resources are such that they have an annual financial liability of less than Three Hundred Dollars (\$300) per year, as determined by the Department of Mental Health fee evaluation scale.

**END OF ATTACHMENT B**

**ATTACHMENT C**  
**General Terms and Conditions**

**C-1. INDEMNIFICATION.**

CONTRACTOR and COUNTY each agree to indemnify, defend and save harmless the other party and the other party's officers and employees, from and against any and all claims and losses whatsoever arising out of, or in any way related to, the indemnifying party's performance under this contract, including, but not limited to, claims for property damage, personal injury, death, and any legal expenses (such as attorneys' fees, court costs, investigation costs, and experts' fees) incurred by the indemnitee in connection with such claims or losses. A party's "performance" includes the party's action or inaction and the action or inaction of that party's officers and employees.

**C-2. GENERAL INSURANCE REQUIREMENTS.**

Without limiting CONTRACTOR's duty to indemnify COUNTY, CONTRACTOR shall comply with the insurance coverage requirements set forth in the contract and in this attachment. Those insurance policies mandated by Paragraph C-3 shall satisfy the following requirements:

- (a) Each policy shall be issued by a company authorized by law to transact business in the State of California.
- (b) Each policy shall provide that COUNTY shall be given notice in writing at least thirty (30) days in advance of any change, cancellation, or nonrenewal thereof.
- (c) The comprehensive motor vehicle and comprehensive general liability policies shall each provide an endorsement naming the County of San Benito and its officers, agents and employees as additional insureds.
- (d) The required coverage shall be maintained in effect throughout the term of this contract.

CONTRACTOR shall require all subcontractors performing work under this contract to obtain substantially the identical insurance coverage required of CONTRACTOR pursuant to this agreement.

**C-3. INSURANCE COVERAGE REQUIREMENTS.**

If required by paragraph 5 of the contract, CONTRACTOR shall maintain the following insurance policies in full force and effect during the term of this contract:

- (a) Comprehensive general liability insurance. CONTRACTOR shall maintain comprehensive general liability insurance, covering all of CONTRACTOR's operations with a combined single limit of not less than the amount set out in paragraph 5 of this contract.
- (b) Professional liability insurance. CONTRACTOR shall maintain professional liability insurance with liability limits of not less than the amount set out in paragraph 5 of this contract.

- (c) Comprehensive motor vehicle liability insurance. CONTRACTOR shall maintain comprehensive motor vehicle insurance covering all motor vehicles (including owned, non-owned and hired) used in providing services under this contract, with a combined single limit of not less than the amount set out in Paragraph 5 of this contract.
- (d) Workers' compensation insurance. CONTRACTOR shall maintain a workers' compensation plan covering all of its employees as required by California Labor Code Section 3700, either through workers' compensation insurance issued by an insurance company or through a plan of self-insurance certified by the State Director of Industrial Relations. If CONTRACTOR elects to be self-insured, the certificate of insurance otherwise required by this contract shall be replaced with a consent to self-insure issued by the State Director of Industrial Relations.

#### **C-4. CERTIFICATE OF INSURANCE.**

Prior to the commencement of performance of services by CONTRACTOR and prior to any obligations of COUNTY, CONTRACTOR shall file certificates of insurance with COUNTY, showing that CONTRACTOR has in effect the insurance required by this contract. CONTRACTOR shall file a new or amended certificate promptly after any change is made in any insurance policy which would alter the information on the certificate then on file. In lieu of providing proof of insurance, CONTRACTOR may provide proof of self-insurance meeting requirements equivalent to those imposed herein. CONTRACTOR warrants that CONTRACTOR's self-insurance provides substantially the same protection to COUNTY as the insurance required herein. CONTRACTOR further agrees to notify COUNTY in the event any change in self-insurance occurs that would alter the obligations undertaken in this contract within thirty (30) days of such change.

#### **C-5. RECORDS TO BE MAINTAINED.**

CONTRACTOR shall keep and maintain accurate records of all costs incurred and all time expended for work under this contract. CONTRACTOR shall contractually require that all of CONTRACTOR's subcontractors performing work called for under this contract also keep and maintain such records. All such records, whether kept by CONTRACTOR or any subcontractor, shall be made available to COUNTY or its authorized representative, or officials of the State of California for review or audit during normal business hours, upon reasonable advance notice given by COUNTY, its authorized representative, or officials of the State of California.

#### **C-6. RETENTION OF RECORDS.**

CONTRACTOR shall maintain and preserve all records related to this contract for a period of three years from the close of the fiscal year in which final payment under this contract is made. CONTRACTOR shall also contractually require the maintenance of such records in the possession of any third party performing work related to this contract for the same period of time. Such records shall be retained beyond the three-year period, if any audit involving such records is then pending, until the audit findings are resolved. The obligation to insure the maintenance of the records beyond the initial three year period shall arise only if the COUNTY notifies CONTRACTOR of the commencement of an audit prior to the expiration of the three year period.



**C-7. TITLE TO DOCUMENTS; COPYRIGHT.**

All reports and other materials collected or produced by the CONTRACTOR or any subcontractor of CONTRACTOR shall, after completion and acceptance of the contract, become the property of COUNTY, and shall not be subject to any copyright claimed by the CONTRACTOR, subcontractor, or their agents or employees. CONTRACTOR may retain copies of all such materials exclusively for administrative purposes. Any use of completed or uncompleted documents for other projects by CONTRACTOR, any subcontractor, or any of their agents or employees, without the prior written consent of COUNTY is prohibited.

**C-8. INDEPENDENT CONTRACTOR.**

CONTRACTOR and its officers and employees, in the performance of this contract, are independent contractors in relation to COUNTY and not officers or employees of COUNTY. Nothing in this contract shall create any of the rights, powers, privileges or immunities of any officer or employee of COUNTY. CONTRACTOR shall be solely liable for all applicable taxes or benefits, including, but not limited to, federal and state income taxes, Social Security taxes, or ERISA retirement benefits, which taxes or benefits arise out of the performance of this contract. CONTRACTOR further represents to COUNTY that CONTRACTOR has no expectation of receiving any benefits incidental to employment.

**C-9. CONFLICT OF INTEREST.**

CONTRACTOR covenants that it presently has no interest and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services hereunder. CONTRACTOR further covenants that, in the performance of this contract, no subcontractor or person having such an interest shall be used or employed. CONTRACTOR certifies that no one who has or will have any financial interest under this contract is an officer or employee of COUNTY.

**C-10. COMPLIANCE WITH APPLICABLE LAWS.**

CONTRACTOR shall comply with all applicable federal, state and local laws now, or hereafter, in force, and with any applicable regulations, in performing the work and providing the services specified in this contract. This obligation includes, without limitation, the acquisition, and maintenance of any permits, licenses, or other entitlements necessary to perform the duties imposed expressly or impliedly under this contract.

**C-11. NONDISCRIMINATION.**

CONTRACTOR shall not discriminate in the employment of persons necessary to perform this contract on any legally impermissible basis, including on the basis of the race, color, national origin, ancestry, religion, age, sex, or disability of such person.

**C-12. BANKRUPTCY.**

CONTRACTOR shall immediately notify COUNTY in the event that CONTRACTOR ceases conducting business in the normal manner, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, or avails itself of, or becomes subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or protection of the rights of creditors.

**C-13. PROHIBITION AGAINST ASSIGNMENT AND DELEGATION OF DUTIES.**

Except as specifically authorized herein, no rights under this contract may be assigned and no duties under this contract may be delegated by CONTRACTOR without the prior written consent of COUNTY, and any attempted assignment or delegation without such consent shall be void.

**C-14. NEGOTIATED CONTRACT.**

This contract has been arrived at through negotiation between the parties. Neither party is to be deemed the party which prepared this contract within the meaning of California Civil Code Section 1654.

**C-15. SEVERABILITY.**

Should any provision herein be found or deemed to be invalid, this contract shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect. To this end, the provisions of this contract are declared to be severable.

**C-16. ENTIRE CONTRACT.**

This contract is the entire agreement of the parties. There are no understandings or agreements pertaining to this contract except as are expressly stated in writing in this contract or in any document attached hereto or incorporated herein by reference.

**C-17. TIME IS OF THE ESSENCE.**

Time is of the essence in the performance of this contract.

**C-18. TERMINATION.**

Either party may terminate this contract, with or without cause, at any time. In order to terminate this contract, the terminating party shall give advance written notice to the other party. The termination shall be effective no earlier than the expiration of the number of days specified in paragraph 6 of this contract. The termination notice shall be made as specified in paragraph C-19, below. In the event of termination, COUNTY shall pay CONTRACTOR for all work satisfactorily performed prior to the effective date of the termination.

**C-19. NOTICES.**

Notices to the parties in connection with the administration of this contract shall be given to the parties' contract administrator personally, by regular mail, or by facsimile transmission as more particularly specified in this paragraph. Notices will be deemed given on:

- (a) The day the notice is personally delivered to the contract administrator or the office of the party's contract administrator; or
- (b) Five days after the date the notice is deposited in the United States mail, addressed to a party's contract administrator as indicated in this contract, with first-class postage fully prepaid; or
- (c) On the day that the notice is transmitted by facsimile to a party's facsimile number specified in paragraph 8 of this contract, provided that an original of

such notice is deposited in the United States mail, addressed to a party's contract administrator as indicated in this contract, on the same day as the facsimile transmission is made.

**C-20. RESPONSIBILITY OF CONTRACT ADMINISTRATORS.**

All matters concerning this contract which are within the responsibility of the parties shall be under the direction of, or shall be submitted to, the respective contract administrators or to the party's employee specified, in writing, by the contract administrator. A party may, in its sole discretion, change its designation of its contract administrator and shall promptly give written notice to the other party of any such change.

**C-21. MATERIALITY.**

The parties consider each and every term, covenant, and provision of this contract to be material and reasonable.

**C-22. WAIVER.**

Waiver by either party of a breach of any covenant of this contract will not be construed to be a continuing waiver of any subsequent breach. COUNTY's receipt of consideration with knowledge of CONTRACTOR's violation of a covenant does not waive its right to enforce any covenant of this contract. The parties shall not waive any provisions of this contract unless the waiver is in writing and signed by all parties.

**C-23. AUTHORITY AND CAPACITY.**

CONTRACTOR and CONTRACTOR's signatory each warrant and represent that each has full authority and capacity to enter into this contract.

**C-24. BINDING ON SUCCESSORS.**

All of the conditions, covenants and terms herein contained shall apply to, and bind, the heirs, successors, executors, administrators and assigns of CONTRACTOR. CONTRACTOR and all of CONTRACTOR's heirs, successors, executors, administrators, and assigns shall be jointly and severally liable under this contract.

**C-25. CUMULATION OF REMEDIES.**

All of the various rights, options, elections, powers and remedies of the parties shall be construed as cumulative, and no one of them exclusive of any other or of any other legal or equitable remedy which a party might otherwise have in the event of a breach or default of any condition, covenant or term by the other party. The exercise of any single right, option, election, power or remedy shall not, in any way, impair any other right, option, election, power or remedy until all duties and obligations imposed shall have been fully performed.

**C-26. INDEPENDENT ADVICE.**

Each party hereby represents and warrants that in executing this contract it does so with full knowledge of the rights and duties it may have with respect to the other. Each party also represents and warrants that it has received independent legal advice from its attorney with

respect to the matters set forth in this contract and the rights and duties arising out of this contract, or that such party willingly foregoes any such consultation.

**C-27. NO RELIANCE ON REPRESENTATIONS.**

Each party hereby represents and warrants that it is not relying, and has not relied, upon any representation or statement made by the other party with respect to the facts involved or its rights or duties. Each party understands and agrees that the facts relevant, or believed to be relevant to this contract may hereunder turn out to be other than, or different from the facts now known to such party as true, or believed by such party to be true. The parties expressly assume the risk of the facts turning out to be different and agree that this contract shall be effective in all respects and shall not be subject to rescission by reason of any such difference in facts.

**C-28. REDUCTION OF CONSIDERATION.**

CONTRACTOR agrees that COUNTY shall have the right to deduct from any payments specified in Attachment B any amount owed to COUNTY by CONTRACTOR as a result of any obligation arising prior to the execution of this contract. For purposes of this paragraph, obligations arising prior to the execution of this contract may include, without limitation, any property tax, secured or unsecured, which tax is in arrears. If COUNTY exercises the right to reduce the consideration specified in Attachment B, COUNTY shall give CONTRACTOR notice of the amount of any off-set and the reason for the deduction.

**C-29. COUNTERPARTS.**

This contract may be executed in any number of counterparts, each of which so executed shall be deemed to be an original. The counterparts shall together constitute one contract.

**END OF ATTACHMENT C.**

## ATTACHMENT D

### SPECIFIC TERMS AND CONDITIONS

- D-1. CONTRACTOR shall comply specifically with Division 5 of the Welfare and Institutions Code, Titles 9 and 22 of the California Code of Regulations, and all state and regulations related thereto.
- D-2. CONTRACTOR shall adhere to all statutes and regulations governing the confidentiality of records.
- D-3. CONTRACTOR shall maintain all patient records in compliance with all appropriate federal, state and local requirements.
- D-4. CONTRACTOR shall comply with all Patients' Rights statutes and regulations.
- D-5. CONTRACTOR shall ensure that all pertinent admissions and length of stay requests comply with utilization review regulations.
- D-6. CONTRACTOR shall ensure that appropriate service and financial records are maintained and retained at least four (4) years or until audit findings are resolved, whichever is later.
- D-7. State and County agencies shall have the right to inspect all records to evaluate the cost, quality, appropriateness and time lines of services.
- D-8. CONTRACTOR agrees to complete and return to COUNTY the Provider Satisfaction Survey when COUNTY provides such.
- D-9. Facility access for handicapped persons shall comply with Section 504 of the Rehabilitation Act of 1973.
- D-10. COUNTY shall transfer patients in compliance with the Emergency Medical Treatment and Active Labor Act, 42 U.S.C. § 1395dd ("EMTALA")
- D-11. In the event that a COUNTY patient presenting to Natividad Medical Center is determined by CONTRACTOR to be in an "emergency medical condition," either psychiatric or non-psychiatric, CONTRACTOR shall stabilize and treat or transfer patients as required by Emergency Medical Treatment and Active Labor Act, 42 U.S.C. § 1395dd ("EMTALA"). COUNTY agrees that all screenings and stabilizing services provided by a CONTRACTOR in a medical emergency are services covered by COUNTY under this agreement.
- D-12. The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (HIPAA). Each party understands that, as a provider of medical treatment services, it is a "covered entity" under HIPAA, and as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, including the training of staff and the establishment of proper procedures for the release of such information, including the use of appropriate patient authorizations specified under HIPAA.
- D-13. As to all insurance coverage required herein, any deductible or self-insured retention exceeding 1% of CONTRACTOR'S annual gross earnings or \$5,000 for an individual shall be disclosed to and be subject to approval by County Risk Manager, prior to the effective date of this contract.

- D-14. If any insurance coverage required hereunder is provided on a "claim made" rather than "occurrence" form, CONTRACTOR shall maintain such insurance coverage with an effective date earlier or equal to the effective date of the contract and continue coverage for a period of three (3) years after the expiration of the contract and any extensions thereof.
- D-15. In lieu of maintaining post-contract expiration coverage as specified above, CONTRACTOR may satisfy this provision by purchasing tail coverage for the "claims made" policy. Such tail coverage shall, at a minimum, provide coverage for claims received and reported three (3) years after the expiration of this contract.

**END ATTACHMENT D**

**ATTACHMENT E**

**HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT**

The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (HIPAA). Each party understands that, as a provider of medical treatment services, it is a "covered entity" under HIPAA, and as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, including the training of staff and the establishment of proper procedures for the release of such information, including the use of appropriate patient authorizations specified under HIPAA.

**END ATTACHMENT E**