

**REFERRAL AGREEMENT BETWEEN THE
MONTEREY COUNTY HEALTH DEPARTMENT AND
SALINAS VALLEY RADIOLOGISTS, INC.**

This Agreement is made and entered into by and between the County of Monterey Health Department, (hereinafter referred to as "COUNTY"), and Salinas Valley Radiologists, Inc., (hereinafter referred to as "SVR").

RECITALS

WHEREAS, COUNTY operates community clinics certified by the State of California under the provisions of Health and Safety Code 1206 (b) and have been designated as Federally Qualified Health Center (FQHC) Look-Alikes. Under the direction of the Health Department and governance of the Community Health Center Board, the clinics located in Seaside, Marina and Salinas provide preventive, primary, and specialty medical care services. These FQHC clinics offer a sliding fee discount and are committed to serving primarily low-income residents and the medically underserved, many of who are eligible for Medi-Cal, Medicare and other public health care assistance programs.

WHEREAS, SVR has served the Salinas Valley and Monterey Peninsula since 1949 offering state-of-the-art imaging services and expertise in up-to-date methods and practices for early detection, interpretation, and treatment. SVR operates within four privately owned medical offices located in Salinas and Carmel, including Salinas Valley Imaging Center, Coastal Valley Imaging of Salinas, Coastal Valley Imaging of Carmel, and Valle Verde X-Ray Center of Salinas, SVR also has hospital-based coverage at Salinas Valley Memorial Hospital (since 1953) and Natividad Medical Center (since 1959). All SVR facilities are fully accredited by the American College of Radiology.

NOW THEREFORE, COUNTY and SVR, for the consideration hereinafter named, agree as follows:

1.0 PERFORMANCE OF THE AGREEMENT

- 1.1 SVR shall accept patient referrals from the COUNTY for diagnostic radiology.
- 1.2 SVR will provide the COUNTY with all results and outcomes and will refer patients back to the COUNTY for follow up care. The COUNTY will be responsible for the appropriate follow up care.
- 1.3 COUNTY and SVR warrant that COUNTY and SVR and their agents, employees, and sub-contractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement. Both parties shall verify provider licensure,

certification or registration through a defined credentialing process and complete a privileging process relevant to the contracted services(s).

- 1.4 COUNTY and SVR'S, agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

- 1.4.1 COUNTY and SVR both agree that each shall maintain all licenses throughout the term of the Agreement.

- 1.5 COUNTY and SVR shall furnish, at their own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement.

2.0 SLIDING FEE DISCOUNT

- 2.1 Federally Qualified Health Center Look-alike (FQHC-LA) clinics are required by the Health Resources and Services Agency (HRSA) Under Section 330(k) (3) (G) of the PHS Act and 42 CFR part 51c.303 (f) to prepare a schedule of fees or payments for the provision of its services consistent with locally prevailing rates or changes and designed to cover its reasonable costs of operation.
- 2.2 A Sliding Fee Discount shall be available for patients who are uninsured or underinsured and are at or below 200% of the Federal Poverty Level to assist with the costs of their care.
- 2.3 Individuals and families who are at or below 200% will be offered the discount based on their income and family size. Underinsured individuals who have or are eligible for public or private health insurance also qualify for the Sliding Fee Discount based on income and family size. These underinsured individuals may not pay more than uninsured patients in the same income category.

3.0 TERM OF AGREEMENT

- 3.1 The term of this Agreement shall be from May 8, 2018 to May 7, 2020, unless earlier terminated. It shall automatically renew for subsequent terms of five (5) years each unless either party gives written notice not to renew at least 30 days in advance of the renewal date. Neither party is required to state a reason if it elects not to renew this Agreement.
- 3.2 If either party exercises its option to extend, all applicable parties shall mutually agree upon the extension, including any changes in rate and/or terms and conditions in writing.
- 3.3 Both parties reserve the right to cancel the Agreement, or any extension of the Agreement, without cause, with a thirty (30) day written notice, or immediately with cause.

4.0 COMPENSATION AND PAYMENTS

- 4.1 To the extent permitted by law, each party shall be solely responsible for billing and collecting fees and charges from patients, or other responsible third parties for any services performed pursuant to this Agreement.
- 4.2 To the extent permitted by law, it is mutually understood and agreed by both parties, that each party is responsible for billing the services provided under its four walls and under its purview.

5.0 INDEMNIFICATION

SVR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by SVR and/or its officers, agents, employees or subcontractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the COUNTY. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the COUNTY. SVR shall reimburse the COUNTY for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which SVR is obligated to indemnify, defend and hold harmless the COUNTY under this Agreement.

COUNTY shall indemnify, defend, and hold harmless SVR, its officers, agents, and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by the COUNTY and/or its officers, agents, employees or subcontractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by SVR. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the SVR. The COUNTY shall reimburse SVR for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the COUNTY is obligated to indemnify, defend and hold harmless SVR under this Agreement.

6.0 INSURANCE REQUIREMENTS

- 6.1 Evidence of Coverage. Prior to commencement of this Agreement, SVR 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, SVR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. SVR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by

the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of SVR.

- 6.2 Qualifying Insurers. All coverage, 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 the COUNTY'S Contracts/Purchasing Officer.
- 6.3 Insurance Coverage Requirements. Without limiting SVR'S duty to indemnify, SVR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form 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.

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 \$500,000 per occurrence.

Workers Compensation Insurance, if SVR 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.

Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover 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, SVR 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 (3) years following the expiration or earlier termination of this Agreement.

- 6.4 Other Insurance Requirements, All insurance required by this Agreement shall be with a company acceptable to the COUNTY 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 (3) years following the date SVR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for SVR and additional insured 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.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insured with respect to liability arising out of the SVR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the SVR'S insurance.

Prior to the execution of this Agreement by the COUNTY, SVR shall file certificates of insurance with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that SVR has in effect the insurance required by this Agreement. SVR shall file a new or amended certificate of insurance within five (5) 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.

SVR 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, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, SVR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by SVR to maintain such insurance coverage is a default of this Agreement, which entitles COUNTY, at its sole discretion, to terminate this Agreement immediately.

7.0 RECORDS AND CONFIDENTIALITY

- 7.1 Confidentiality: SVR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. SVR shall not disclose any confidential records or other confidential information received from the COUNTY or prepared in connection with the performance of this Agreement, unless COUNTY specifically permits SVR to disclose such records or information. SVR shall promptly transmit to COUNTY any and all requests for disclosure of any such confidential records or information. SVR shall not use any confidential information gained by SVR in the performance of this Agreement except for the sole purpose of carrying out SVR's obligations under this Agreement.

- 7.2 Maintenance of Records: SVR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and county rules and regulations related to services performed under this Agreement.

8.0 NON-DISCRIMINATION

During the performance of this Agreement, neither party nor its officers, employees, agents and subcontractors shall unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in its employment practices or in the furnishing of services to recipients. Each party shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. Each party and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

9.0 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT—HIPAA COMPLIANCE

The parties mutually agree to operate its business in a manner as necessary to comply with its obligations under the Health Insurance Portability and Accountability Act of 1996, Subtitle F, Public Law 104-191, relating to the privacy and security of confidential health information, and any final regulations or rules promulgated by the U.S. Department of Health and Human Services thereunder (collectively, the "HIPAA Standards").

10.0 INDEPENDENT CONTRACTOR

Each party shall have the status of independent contractor as to the other party in the performance of its work, duties and obligations under this Agreement.

In the performance of work, duties, and obligations and under this Agreement, SVR is at all times acting and performing as an independent contractor and not as an employee of COUNTY. No offer or obligation of permanent employment with COUNTY, nor any department or agency, is intended in any manner, and SVR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. SVR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of SVR's performance of this Agreement. In connection therewith, SVR shall defend, indemnify and hold COUNTY harmless from any and all liability, which COUNTY may incur because of SVR's failure to pay such taxes.

11.0 AMENDMENTS

This Agreement may be amended or modified only by an instrument in writing signed by COUNTY and SVR.

12.0 NON-EXCLUSIVE

This Agreement is non-exclusive and both COUNTY and SVR expressly reserve the right to contract and refer to other entities for the same or similar services.

13.0 SEVERABILITY

If any provision of this Agreement is found by a court of competent jurisdiction to be void, invalid or unenforceable, the same will either be reformed to comply with applicable law or stricken if not so conformable, so as not to affect the validity or enforceability of this Agreement.

14.0 STARK LAW

COUNTY and SVR agree that this Agreement shall not be in violation of the rules and regulations of the Stark Law. It is understood and agreed that no payment is being made hereunder to induce or encourage any referral. Each party is free to make referrals to any party such party determines is appropriate and there is no understanding or intent expressed or implied concerning referrals between the parties.

15.0 NOTICES

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the COUNTY and SVR'S contract administrators at the addresses listed below:

FOR COUNTY:

Director of Health

Elsa M. Jimenez

1270 Natividad Road

Salinas, CA 93906

Tel. No.: (831) 755-4526

FOR SVR:

Chief Administrative Officer

Doug Gibson

627 Brunken Avenue, Suite A

Salinas, CA 93901

Tel. No.: (831) 796-3748

IN WITNESS WHEREOF, the COUNTY and SVR have executed this Agreement as of the day and year written below:

COUNTY OF MONTEREY

By: _____
Elsa Jimenez, Director of Health

Date: _____

SALINAS VALLEY RADIOLOGISTS, INC.

By: _____
Name and Title

Date: 4/17/2018

Approved as to Fiscal Provisions:

By: _____
Auditor/Controller

Date: 4-13-18
Approved as to Liability Provisions:

By: _____
Risk Management

Date: _____

Approved as to Form:

By: _____
County Counsel

Date: 4/20/18

*INSTRUCTIONS: If SVR 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. If SVR 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. If SVR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

IN WITNESS WHEREOF, the COUNTY and SVR have executed this Agreement as of the day and year written below:

COUNTY OF MONTEREY

By: _____
Elsa Jimenez, Director of Health

Date: _____

SALINAS VALLEY RADIOLOGISTS, INC.

By: _____
Name and Title

Date: 4/17/2018

Approved as to Fiscal Provisions:

By: _____
Auditor/Controller

Date: 4-13-18
Approved as to Liability Provisions:

By: _____
Risk Management

Date: _____

Approved as to Form:

By: _____
County Counsel

Date: 4/20/18

*INSTRUCTIONS: If SVR 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. If SVR 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. If SVR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.