

PROFESSIONAL SERVICES AGREEMENT
Between
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM
And
COUNTY OF MONTEREY

This Professional Services Agreement (“**Agreement**”) is made and entered into as of May 1, 2016 (“**Effective Date**”), by and between **Salinas Valley Memorial Healthcare System**, a local health care district organized and operating pursuant to Division 23 of the California Health and Safety Code (“**SVMHS**”), and **County of Monterey**, a political subdivision of the State of California (“**County**”) on behalf of its Health Department.

RECITALS

- A. SVMHS owns and operates a general acute care hospital located in Salinas, California, under the name Salinas Valley Memorial Hospital.
- B. 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 Look-Alikes. Under the direction of the Health Department and governance of the Community Health Center Board, the clinics provide preventive, primary, and specialty medical care services (“**Clinic**”).
- C. SVMHS employs a California licensed physician (“**Physician**”) qualified to render professional services in the area of infectious disease (“**Specialty**”).
- D. To ensure access to medical services in the Specialty, County wishes to enter into an agreement with SVMHS as an independent contractor to secure the services of Physician to provide professional services (“**Professional Services**”) on a part-time basis at the Clinic.
- E. County has determined that the compensation to be paid to SVMHS for Professional Services to be provided by Physician under this Agreement is fair and reasonable based on the expected hours of service to be provided by SVMHS under this Agreement.

In consideration of the mutual covenants and promises set forth below in the body of this Agreement, the parties agree as follows:

ARTICLE I
ENGAGEMENT FOR PROFESSIONAL SERVICES

1.1 Engagement. County hereby engages SVMHS to provide the Professional Services of Physician in the Clinic, and County hereby accepts such engagement, in accordance with the terms and conditions of this Agreement. As set forth on the signature page of this Agreement, Physician acknowledges and accepts this engagement, and agrees to perform Professional Services in accordance with the terms and conditions of this Agreement.

1.2 Professional Services. SVMHS shall ensure that Physician is available to provide Professional Services at County in accordance with a schedule which shall be agreed upon by the parties and Physician. The parties anticipate that Physician shall provide Professional Services at County one half-day per week or as mutually agreed upon.

1.3 Facilities. County shall provide space and equipment for use by Physician to provide Professional Services. Physician shall use the premises and equipment solely for the practice of Specialty. No part of the premises shall be used at any time by Physician as an office for personal use or for conducting a private practice. County shall maintain the equipment is in good order and repair, and replace equipment that is worn out or obsolete. Physician shall use the equipment in a proper and safe manner, and report to County any malfunction or other problem with the equipment.

1.4 County Services. County shall, at its expense, furnish housekeeping services, supplies, telephone service, laundry, gas, water, heat and such electricity for light and power as may be required for the proper operation and conduct of the Clinic. County shall also provide other services, including but not limited to nursing and support personnel, administrative, accounting, purchasing, and medical records, as may be required for the proper operation and conduct of the service.

1.5 Personnel.

A. County shall employ or otherwise retain all non-physician personnel required for the proper operation and conduct of the Clinics. County shall ensure that Physician use his/her best efforts to assist the County in the ongoing supervision of the non-physician personnel in their performance of clinical functions.

B. County shall employ, compensate and generally be responsible for all its personnel, and SVMHS shall have no liability for payment of wages, payroll taxes or other expenses of employment of such non-physician personnel. SVMHS shall ensure that Physician supervises the clinical activities of the support personnel pertaining to Physician's Professional Services; County shall be responsible for such personnel in all other aspects of their employment. Decisions with respect to engagement and termination of such personnel shall be made at the sole discretion of the County.

C. SVMHS shall ensure that Physician perform his/her professional medical duties in accordance with: (a) applicable Federal, State and County laws, rules and regulations, and policies; (b) all rules and regulations generally applicable to physicians practicing medicine in the State of California; (c) applicable requirements of third party payor programs; and (d) County and Health Department policies and procedures; and (e) applicable Federally Qualified Health Center (FQHC) policies, rules and regulations.

D. SVMHS shall provide verification of the Physician's Tuberculosis test prior to service and send updated results to County as long as Physician is on service.

ARTICLE II

QUALIFICATIONS AND PERFORMANCE STANDARDS

2.1 Independent Contractor.

A. It is understood and agreed that SVMHS and County shall be acting as independent contractors in the provision of services under this Agreement. County shall neither have nor exercise any control or direction over the method, details and means by which Physician shall perform his/her work and functions under this Agreement. Physician shall not be entitled to any benefits provided to the employees of County specifically including, without limitation, workers' compensation, disability insurance, vacation or sick pay, medical insurance benefits, or retirement plan participation. In the event the Internal Revenue Service, the California Franchise Tax Board or any other governmental authority should question or challenge the independent contractor status of Physician with respect to County, the parties mutually agree that both parties shall have the right to participate in any discussion or negotiation occurring with such authority, regardless of who initiated such discussions or negotiations.

B. There shall be no deductions from any of the payments made to SVMHS under this Agreement, and all payments made herein shall be in the gross amounts. Each party shall report on its respective tax returns the payments provided for herein as compensation paid or received, as the case may be, for services rendered. Physician shall have no claim against County for compensation, overtime, vacation pay, sick-leave, retirement benefits, Social Security, workers' compensation, disability or unemployment insurance benefits or employee benefits of any kind. As applicable to its obligations under this Section 2.1.B, SVMHS shall indemnify County and hold it harmless with respect thereto.

2.2 Professional Qualifications. It is a condition of this Agreement that Physician, on an unrestricted basis, shall:

A. Be a member in good standing of Clinic Medical Staff with appropriate clinical privileges, as determined by County;

B. Have and maintain California licensure in good standing as a physician;

C. Have Board certification in the Specialty;

D. Have and maintain in good standing the right and ability to prescribe controlled substances, narcotics and prescription drugs, including an unrestricted federal DEA number;

E. Participate in good standing in Medicare, Medi-Cal and other health care programs;
and

F. Maintain professional liability insurance in accordance with Article VI of this Agreement.

In addition, neither SVMHS nor Physician shall have (i) been excluded or suspended from participation in any federal or state health care program, including but not limited to Medicare, Medi-Cal, CHAMPUS/Tricare; (ii) received a Criminal Conviction related to the delivery or

billing of health care services, or to the neglect or abuse of patients; or (iii) been suspended, excluded, debarred or sanctioned under any other federal health care program, including the Food and Drug Administration, the National Institutes of Health, the Department of Defense or the Department of Veterans Affairs. For purposes of this Agreement, a "**Criminal Conviction**" shall mean: (i) a judgment of conviction that has been entered against Physician by a federal, state, or local court, regardless of whether there is an appeal pending or whether the judgment of conviction or other record relating to criminal conduct has been expunged; (ii) a finding of guilt against Physician that has been accepted by a federal, state, or local court; (iii) a plea of *nolo contendere* by Physician that has been accepted by a federal, state, or local court; or (iv) the entering into participation in a first offender, deferred adjudication, or other arrangement or program where judgment of conviction has been withheld.

2.3 Notice of Action Affecting Qualifications. SVMHS shall notify County immediately upon becoming aware of any investigation, disciplinary action, peer review investigation or action, or other action of any kind initiated against Physician which action could result in: (i) suspension, resignation or loss of license to practice medicine; (ii) denial, suspension, restriction (including the imposition of monitoring) or termination of staff privileges or staff membership at any health facility or by any peer review body; (iii) denial, suspension, restriction or loss of board certification; (iv) impairment of Physician's ability to provide medical services; (v) failure to maintain professional liability insurance as required under this Agreement; or (vi) imposition of any sanctions under Medicare or any other governmental reimbursement program. SVMHS shall notify County immediately of the initiation of any malpractice action against Physician, and if any malpractice action against Physician is pending, settled or goes to judgment. Failure to provide any notice to County which is required under this paragraph shall constitute a material breach of this Agreement.

2.4 Standards of Medical Practice. Physician shall perform his/her duties under this Agreement in accordance with the community standards of practice in the Specialty, with the standards of the Medical Staff, and with the standards of practice within comparable institutions to County. The parties shall fully comply with all applicable provisions of law and other rules and regulations of any and all governmental authorities relating to licensure and regulation of physicians and County.

2.5 Performance Review. Physician shall be subject to periodic non-clinical performance reviews by the County, and review as to Professional Services provided by Physician under this Agreement.

2.6 Compliance.

A. Compliance Standards. Physician shall perform all services under this Agreement, in compliance with (i) applicable Federal, State and County laws, rules and regulations, and policies; (ii) Health Department policies, procedures and clinical standards; (iii) all rules and regulations generally applicable to physicians practicing medicine in the State of California; (iv) laws, regulations and standards adopted by the California Departments of Health Care Services and Public Health, the U.S. Department of Health and Human Services, and other governmental authorities relating to licensure and medical care; and (v) all applicable laws specifically including, without limitation, billing and other laws and regulations arising out of or related to

participation in Medicare, any other government funded reimbursement program or third party payor programs.

B. Compliance Programs. Physician shall also (i) comply with all policies, procedures and codes of conduct (the "Standards"); and (ii) sign and adhere to any disclosure or attestations, related to the Standards, and participate and support the County's Standards. With respect to Physician's business dealings with the County and the performance of Professional Services, Physician shall not act in any manner that conflicts with or violates the Standards, and shall not cause another person to act in any manner which conflicts with or violates the Standards. Physician shall comply with the Standards (and as they may be revised in the future), as they relate to Physician's business relationship with the County and its affiliates, employees, agents, contractors and suppliers.

2.7 Cooperation. In providing the Professional Services required by this Agreement, Physician shall cooperate with the County, its staff, and the members of the Medical Staff to maintain the integrity of the County and to achieve the Clinic's mission and operational goals. Physician shall provide input to management regarding all aspects of Clinic operations to assure high quality, cost effective, customer-oriented service.

2.8 Disclosure of Conflicts of Interest. Upon request by County, Physician shall comply with County's policy regarding conflict of interest, including disclosure to County of any matter or transaction involving Physician that conflicts with the interest of the County in his/her performance of the Professional Services.

ARTICLE III BILLING AND COMPENSATION

3.1 Billing and Compensation. The billing and compensation for Professional Services rendered under this Agreement are set forth in Exhibit A.

ARTICLE IV TERM

4.1 Term of Agreement and Renewal. Subject to Sections 4.2 and 4.3, the term of this Agreement shall be for a period of five (5) years, commencing on the Effective Date. Neither party is required to state a reason if it elects not to renew this Agreement.

4.2 Termination for Cause. Either party may terminate this Agreement on thirty (30) days written notice to the other party if the party to whom such notice is given is in material breach of this Agreement. The party claiming the right to terminate hereunder shall set forth in the notice of intended termination the facts underlying its claim that the other party is in breach of this Agreement. If the breaching party fails to cure such breach to the reasonable satisfaction of the other party within twenty (20) days after receipt of such notice, this Agreement shall immediately terminate thirty (30) days after the giving of notice pursuant to this Section.

4.3 Other Grounds for Termination. This Agreement may be terminated on the first to occur of any of the following.

A. County may immediately terminate this Agreement upon the failure of SVMHS or Physician, as applicable, to meet any of the qualifications set forth in Section 2.2.

B. County may, at any time, terminate this Agreement upon the occurrence of any event specified in Article V that both materially interferes with the performance of the parties hereto and continues for a period of thirty (30) days or longer.

C. In the event the performance by either party to this Agreement of any provision of this Agreement should: (i) jeopardize any license held by County, Physician or SVMHS, or any party's participation in Medicare, Medi-Cal, or other reimbursement or payment program, or County's accreditation by accreditation organization; (ii) be in violation of any statute, ordinance or be otherwise deemed illegal; (iii) be deemed unethical by any recognized body, agency or association in the medical or hospital fields; or (iv) cause the continuation hereof to constitute a substantial threat to the FQHC status of Clinic, either party may by written notice to the other initiate negotiations to amend the Agreement to remove such jeopardy, violation, unethical practice, threat or illegality. In the event the parties cannot agree on changes to the Agreement within sixty (60) days of the notice (or such shorter period if required by any action of a governmental agency having jurisdiction over the affected party, or by written agreement of both parties), either party may terminate this Agreement by notice to the other party.

D. Either party, at any time during the term of this Agreement, may terminate this Agreement without stating a cause or reason and without penalty upon giving the other party ninety (90) days prior written notice.

4.4 Effects of Expiration or Termination.

A. Upon expiration or termination of this Agreement, no party shall have any further obligation hereunder except for obligations occurring prior to the date of termination and obligations, promises or covenants contained herein that expressly extend beyond the term of this Agreement. Physician shall vacate the premises used for the provision of services pursuant to this Agreement on the date of the termination, removing at such time any and all personal property. Any personal property which is not so removed, may be removed and stored by County at the expense of SVMHS and, if not retrieved by SVMHS or Physician within ninety (90) days of the date of termination, put to some other use by County, discarded or destroyed.

B. Upon expiration or termination of this Agreement, Physician shall not be entitled to any hearing, review or appeal of a decision to terminate or not renew this Agreement.

**ARTICLE V
COMPLIANCE RESPONSIBILITIES**

5.1 Compliance with Medicare Access to Records Law. SVMHS shall cooperate with the County by maintaining and making available all necessary records or by executing any agreements, in order to assure that the County will be able to meet all requirements for

participation and payment associated with public or private third party payment programs. To the extent required under §1861 (v)(1)(1) of the Social Security Act, as amended, and the regulations adopted thereunder, or any successor law, SVMHS shall comply with the following statutory requirements:

A. Until the expiration of four (4) years after the furnishing of such services pursuant to this Agreement, SVMHS shall make available, upon written request by the Secretary of Health and Human Services or upon request by the Comptroller General of the United States, or any of their duly authorized representatives, this Agreement, and books, documents and records of the parties that are necessary to certify the nature and extent of such costs; and

B. If SVMHS carries out any of the duties of this Agreement 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, as that term is defined with regard to a provider in the Secretary's regulations, that until the expiration of four (4) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available upon written request by the Secretary of Health and Human Services, 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.

If SVMHS is requested to disclose books, documents or records pursuant to this Section 5.2, SVMHS shall notify County of the disclosure, and shall make available, upon County request, access to such books, documents and records during regular business hours. The obligations created by this Section 5.2 shall survive the termination of this Agreement.

5.2 Confidentiality.

A. SVMHS acknowledges that Physician may obtain or have access to proprietary information of the County, including patient information, confidential financial, operational business and planning information, and trade secrets ("**Proprietary Information**"). SVMHS shall ensure that Physician keeps such Proprietary Information confidential and does not directly or indirectly disclose such Proprietary Information to a third party, except as required to perform Physician's obligations hereunder, or as required by law, or with the prior written consent of the County. This Section 5.3 shall not apply to information: (i) provided to voluntary accreditation agencies, government agencies or third party payors as required by law or consented to by County; (ii) reasonably required by other health care providers involved in a particular patient's case; (iii) which SVMHS can show was known to Physician prior to disclosure by the County; or (iv) which is or becomes public knowledge through no fault of Physician. SVMHS further agrees to ensure, to the extent possible, that Physician does not to use any Proprietary Information of the County in a manner adverse to the interests of the County and recognizes County's right to obtain judicial relief against Physician, including injunctive relief and damages, for any violation of this provision.

B. Any and all patient records and charts produced as a result of either party's performance under this Agreement shall be and remain the property of the County, both during and after the term of this Agreement. Consistent with applicable law and patient privacy, SVMHS and Physician shall be permitted to inspect and/or duplicate, at their respective expense,

patient charts or records to the extent necessary to meet professional responsibilities to patients. SVMHS and Physician shall be solely responsible for maintaining legal requirements for patient confidentiality with respect to any information obtained pursuant to this Section 5.3 and shall make no further disclosure of such information except as authorized by law. SVMHS (and its agents and employees, including Physician) shall comply with and recognize all confidentiality and non-disclosure requirements that apply to the County, specifically including privacy requirements of the Administrative Simplification subtitle of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and State requirements and shall comply with all County requirements and safeguards relating to such confidential information. SVMHS and Physician shall comply with the policies adopted by County and the Medical Staff for access, use and disclosure of protected health information (as defined by federal regulations implementing HIPAA), to the extent County and SVMHS concur, after consulting with their compliance officer or legal counsel, that compliance with said policies is consistent with current federal and state law.

C. The obligations created by this Section 5.3 shall survive the termination of this Agreement.

5.3 Compliance with Laws.

A. In addition to the obligations of the parties to comply with applicable federal, state and local laws respecting the conduct of their respective businesses and professions, SVMHS and County each acknowledge that they are subject to certain federal and state laws governing the referral of patients that are in effect or will become effective during the term of this Agreement. These laws include:

(1) Prohibition on payments for referral or to induce the referral of patients (Cal. Business and Professions Code §650; Cal. Labor Code §3215; Cal. Welfare and Institutions Code §14107.2; and the Medicare/Medicaid Fraud and Abuse Law, (§1128B of the Social Security Act); and

(2) Prohibition on the referral of patients by a physician for certain designated health care services to an entity with which the Physician (or his/her immediate family) has a financial relationship (Cal. Labor Code §§139.3 and 139.31, applicable to referrals for workers' compensation services; Cal. Business and Professions Code §§650.01 and 650.02, applicable to all other patient referrals within the state; and §1877 of the Social Security Act, applicable to referrals of Medicare and Medicaid patients); and

(3) Prohibition on the County entering into an excess benefit transaction with a disqualified person, which transaction may subject the recipient of financial assistance to possible excise taxes imposed by the Internal Revenue Service in accordance with Internal Revenue Code § 4958.

B. SVMHS and County each acknowledge that each has had the opportunity to engage independent counsel to provide advice with respect to the requirements of the laws referred to in Section 5.4 of the Agreement.

C. Nothing in this Agreement is intended or shall be construed to require either party or Physician to violate the California or federal laws described in Section 5.4.A, and this Agreement shall not be interpreted to (i) require SVMHS or Physician to make referrals to County, be in a position to make or influence referrals to County, or otherwise generate business for County; or (ii) provide for payments in excess of the fair market value or comparable compensation paid to physicians for similar services in comparable locations and circumstances.

D. In the event of any changes in law or regulations implementing or interpreting the Internal Revenue Code or the Medicare and Medicaid Patient Protection Act of 1987, including the adoption or amendment of Medicare Fraud and Abuse Safe Harbor Regulations, or to any other federal or state law relating to the subject matter of such laws to fraud and abuse or to payment for patient referrals including the laws referenced in Section 5.4.A, the parties shall use all reasonable efforts to revise this Agreement to conform and comply with such changes.

5.4 Tax-Exempt Financing. In the event the County intends to seek tax-exempt financing, SVMHS and County shall negotiate in good faith to amend this Agreement to the extent deemed necessary by bond counsel involved in that financing. If SVMHS and County do not agree to the terms of such an amendment, the County may terminate this Agreement upon thirty (30) days written notice, subject to shorter notice if required by bond counsel in order to meet a closing deadline for the financing.

ARTICLE VI INSURANCE AND INDEMNIFICATION

6.1 INSURANCE.

A. SVMHS shall maintain a program of insurance and self-insurance that covers its activities in connection with this Agreement as follows:

1. **Professional Medical and Hospital Liability Insurance** or self-insurance with financially-sound and reputable companies in the amount of not less than one million dollars (\$1,000,000) per claim and three million dollars (\$3,000,000) 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, SVMHS 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.

2. **General Liability Insurance**, SVMHS shall maintain self-insurance with a minimum of one million dollar (\$1,000,000) self-insurance retention and five million dollars (\$5,000,000) coverage in the aggregate.

3. **Workers' Compensation Insurance** in a form and amount covering SVMHS's full liability as required by law under the Workers' Compensation Insurance and Safety Act of the State of California as amended from time to time. In accordance with California Labor Code section 3700 and with Employer's Liability limits not less than one (\$1,000,000) million each person, one (\$1,000,000) million each accident and one

(\$1,000,000) million each disease.

The coverage referred to in Section 2 above shall be endorsed to include "County of Monterey" as an additional insured. SVMHS shall furnish County with Certificates of Insurance evidencing compliance with all requirements. Certificates shall further provide for thirty (30) days advance written notice to County of any modification, change or cancellation of any of the above insurance coverages.

B. County shall maintain a program of insurance and/or self-insurance that covers its activities in connection with this Agreement as follows:

1. **Professional Medical Liability Insurance** or self-insurance with financially-sound and reputable companies with limits of one million dollars (\$1,000,000) per claim and a general aggregate of three million dollars (\$3,000,000). If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the County 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.

2. **General Liability Self-Insurance** County shall maintain self-insurance with a one million (\$1,000,000) self-insured retention and five million (\$5,000,000) coverage in the aggregate.

3. **Workers' Compensation Insurance** in a form and amount covering County's full liability as required by law under the Workers' Compensation Insurance and Safety Act of the State of California as amended from time to time.

6.2 Indemnification.

(a) **Indemnification by SVMHS.** SVMHS agrees to defend, indemnify, and hold harmless County, its officers, agents, and employees, to the extent permitted by applicable law, from and against any and all claims and losses whatsoever accruing or resulting to any person, firm or corporation for damages, injury or death arising out of or connected with any negligent act or omission or willful misconduct of SVMHS or Physician, or any of its agents or employees.

(b) **Indemnification by County.** County agrees to defend, indemnify, and hold harmless SVMHS and Physician, to the extent permitted by applicable law, from and against any and all claims and losses whatsoever accruing or resulting to any person, firm or corporation for damages, injury or death arising out of or connected with any negligent act or omission or willful misconduct of County or any of its agents or employees.

6.3 Assistance in Litigation. SVMHS shall make Physician available to County, at no cost to County, to testify as an expert witness, or otherwise, in the event of litigation being brought against the County, its directors, officers or employees based upon a claim of negligence or malpractice by Physician, or any other cause of action involving Physician, except where SVMHS or Physician is a

named adverse party. County shall provide similar assistance to SVMHS, except where County is a named adverse party.

6.4 Savings Clause. If any term, provision or application of this indemnification agreement is found to be invalid, in violation of public policy or unenforceable to any extent, such finding shall not invalidate any other term or provision of this indemnification agreement and such other terms and provisions shall continue in full force and effect. If there is any conflict between the terms, provisions or application of this indemnification agreement and California law, the broadest indemnity protection for the County under this indemnity agreement that is permitted by law shall be provided by SVMHS.

ARTICLE VII MISCELLANEOUS

7.1 Assignment. The Professional Services to be performed under this Agreement shall be performed personally by Physician. Notwithstanding any other provisions of this Agreement, neither this Agreement nor any of the rights or duties under this Agreement may be assigned or delegated by either party except as expressly authorized in this Agreement.

7.2 Successors and Assigns. Subject to the provisions contained in this Agreement on assignment, this Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

7.3 Exclusivity. This Agreement is not exclusive, and County may contract with other entities to provide Professional Services.

7.4 Notices. Written notice required under this Agreement shall be delivered personally or sent by United States registered or certified mail, postage prepaid and return receipt requested, and addressed or delivered to the parties at the following addresses (or such other address as may hereafter be designated by a party by written notice thereof to the other party):

If to SVMHS:

Salinas Valley Memorial Healthcare System
Office of the President/CEO
450 East Romie Lane
Salinas, CA 93901

If to County:

Monterey County Health Department
Director of Health
1270 Natividad Road
Salinas, CA 93906

7.5 Continuation and Survival of Representations, Warranties and Indemnities. All representations and warranties by the respective parties contained herein or made in writing pursuant to this Agreement and all agreements with respect to covenants and conditions of this Agreement which, by their nature, are not to be satisfied prior to the termination of the term, are intended to and shall be deemed to be material, and shall survive the termination of the term of this Agreement.

7.6 Interpretation. Words used in the singular number shall include the plural, and vice versa, and any gender shall be deemed to include each other gender. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the purposes of the parties and this Agreement.

7.7 Construction. Any captions to or headings of the articles or sections of this Agreement are solely for the convenience of the parties, are not a part of this Agreement, and shall not be used for the interpretation or determination of validity of this Agreement or any provision hereof.

7.8 Integration. This Agreement, all attached exhibits, and all related documents referred to in this Agreement constitute the entire agreement between the parties. There are no oral or parol agreements which are not expressly set forth in this Agreement and the related documents being executed in connection with this Agreement. This Agreement may not be modified, amended or otherwise changed except by a writing executed by the party to be charged.

7.9 Severability. The provisions of this Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be effective and binding upon the parties.

7.10 Waiver. No waiver or breach of any provision shall be deemed, or constitute, a waiver of any other provision, whether or not similar, nor shall any be valid unless it is in writing and executed by the waiving Party. No extension of time for performance of any obligation or act shall be deemed an extension of time for any other obligation or act.

7.11 Governing Law; Venue. The validity, interpretation and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of California. No provision of this Agreement shall be interpreted for or against either party because that party's legal representative drafted such provision. Venue for any judicial proceeding brought by either party with regard to any provision or obligation arising under this Agreement shall be in Monterey County, California.

7.12 Force Majeure. Neither party shall be liable nor deemed to be in default for any delay or failure in performance under the Agreement or other interruption of service or employment deemed resulting, directly or indirectly, from: Acts of God; acts of civil or military authority; acts of public enemy; acts of terrorism, bioterrorism; bomb threats; computer virus; epidemic; power outage; acts of war; accidents; fires; explosions; earthquakes; floods; failure of transportation, machinery or supplies; vandalism; strikes or other work interruptions by County's employees; or any similar or dissimilar cause beyond the reasonable control of either party. Both parties shall, however, make good faith efforts to perform under this Agreement in the event of any such circumstance.

7.13 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts shall constitute a single instrument.

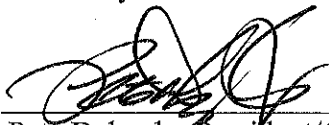
7.14 Legal Counsel/Accounting Review. Each party understands that this Agreement is subject to certain tax implications and Medicare/Medi-Cal laws (including laws relating to reimbursement, fraud and abuse and referral of patients). Each party understands the advisability

of seeking legal counsel and/or accountants to review the Agreement, and has exercised its own judgment in this regard.

7.15 Entire Agreement/Integration. This Agreement, all attached exhibits, and all related documents referred to in this Agreement constitute the entire agreement between the parties. There are no oral or parol agreements which are not expressly set forth in this Agreement and the related documents being executed in connection with this Agreement. This Agreement may not be modified, amended or otherwise changed except by a writing executed by the party to be charged.

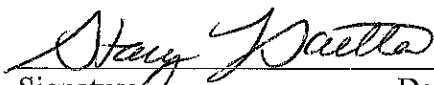
The parties have executed this Agreement on the Effective Date first written above.

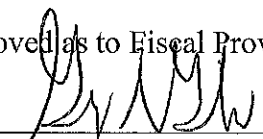
SVMHS
Salinas Valley Memorial Healthcare System

By: 
Pete Delgado, President/CEO

COUNTY
County of Monterey

By: _____
Director of Health, Health Department

Approved as to Legal Form: *May 19,*
 *2016*
Signature Date
Stacy L. Saetta, Deputy County Counsel

Approved as to Fiscal Provisions:
 *5-19-16*
Signature Date
Gary Giboney, Auditor-Controller

Approved as to Liability Provisions:

Signature Date
Steve Mauck, Risk Management

Exhibit A

**To the Professional Services Agreement
Between
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM
And
COUNTY OF MONTEREY**

Scope of Services/Payment Provisions

A.1. Scope of Services

SVMHS shall adopt clinical guidelines by using generally accepted standards of care and provide treatment and consultation services pertaining to clinical treatment of patients with Latent Tuberculosis Infection (LTBI), class B immigrant tuberculosis (TB) and tuberculosis (TB) contact as scheduled in Clinic and in compliance with applicable rules, regulations and program guidelines. At present, the County utilizes Centers for Disease Control and Prevention (CDC) guidelines.

SVMHS Physician shall perform routine clinical and administrative duties ancillary to the provision of patient services such as medication refills, referrals, resolution of billing issues, and completion of forms and reports.

SVMHS Physician shall prepare appropriate and timely patient medical records accurately detailing care and treatment services rendered.

A.2. Billing and Collection

County shall be responsible for, and solely entitled to, bill and collect for all SVMHS Physician services furnished at County.

A.3 Third-Party Payor Arrangements and Compensation Reductions.

A.3.1 For purposes of this Paragraph A.3, (i) **“third-party payors”** are defined as entities that are authorized to contract for health care services under Medicare, Medi-Cal or other public or private health and/or County programs, including, without limitation, insurers, health maintenance organizations, preferred provider organizations, independent practice associations and employers; and (ii) **“third-party payor arrangements”** are defined as arrangements for the provision of physician services under Medicare, Medi-Cal, or other public or private health and/or County programs.

A.3.2 Notwithstanding anything to the contrary herein, SVMHS agrees to cooperate as reasonably necessary to facilitate County’s entry into or maintenance of any third-party payor arrangement during the term of this Agreement, to the extent allowed by federal, state, and local law.

A.4 Form 1099. To the extent required by law, County will issue to SVMHS an Internal Revenue Service Form 1099 for the services rendered under this Agreement.

A.5. Compensation/Payment

For the performance of all things necessary for or incidental to the performance of Professional Services by Physician as set forth in the Agreement, County will pay to SVMHS the amount of four hundred fifty dollars (\$450.00) per four (4) hour session or \$112.50 per hour, not to exceed one hundred eighty thousand dollars (\$180,000.00) per term of Agreement.