AN Natividad MEDICAL CENTER

COUNTY OF MONTEREY AGREEMENT FOR SERVICES (MORE THAN \$100,000)

This Agreement for Services (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter, "the County"), on behalf of Natividad Medical Center ("NMC"), a general acute care teaching hospital wholly owned and operated by the County, and Monterey Anesthesia Professionals (hereinafter "CONTRACTOR").

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

1,	CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services			
	described in Exhibit A in conformity with the terms of the Agreement. The services are generally			
	described as follows: billing agent services			
2.	DAYMENTS DV NMC NMC shall row the CONTRACTOR in coorday with the			
	PAYMENTS BY NMC. NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A , subject to the limitations set forth in this Agreement. The total			
	amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of			
	\$ 120,000			

3. TERM OF AGREEMENT.

- 3.1. The term of this Agreement is from January 1, 2021 through December 31, 2022 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and NMC and with NMC signing last and CONTRACTOR may not commence work before NMC signs this Agreement.
- 3.2. NMC reserves the right to cancel this Agreement, or an extension of this Agreement, without cause, with a thirty (30) day written notice, or with cause immediately.
- 4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A: Scope of Services/Payment Provisions

5. PERFORMANCE STANDARDS.

5.1. CONTRACTOR warrants that CONTRACTOR and Contractor's agents, employees, and subcontractors 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 and are not employees of NMC, or immediate family of an employee of NMC.
- 5.2. CONTRACTOR, its 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.
- 5.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use NMC premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

- 6.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provide in this paragraph. NMC does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.
- 6.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety (90) days prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (NMC) and the CONTRACTOR.
- 6.3. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement, and then only in accordance with any applicable County policies.
- 6.4. Invoice amounts shall be billed directly to the ordering department.
- 6.5. CONTRACTOR shall submit such invoice 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 NMC approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7. TERMINATION.

- 7.1. During the term of this Agreement, NMC may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.
- 7.2. NMC may cancel and terminate this Agreement for good cause effective immediately upon written notice to Contractor. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If

NMC terminates this Agreement for good cause, NMC may be relieved of the payment of any consideration to Contractor, and NMC may proceed with the work in any manner, which NMC deems proper. The cost to NMC shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.3 NMC's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for NMC's purchase of the indicated quantity of services, then NMC may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8. INDEMNIFICATION.

8.1 CONTRACTOR shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "County"), its officers, agents and employees from any and all claims, liability 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 the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9. INSURANCE.

9.1 Evidence of Coverage:

Prior to commencement of this Agreement, the 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, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to NMC's Contracts/Purchasing Department, unless otherwise directed. The CONTRACTOR shall <u>not</u> receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and NMC has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of CONTRACTOR.

9.2 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 NMC's Contracts/Purchasing Director.

9.3	<u>Insurance Coverage Requirements:</u> Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR 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.
	Exemption/Modification (Justification attached; subject to approval).
	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.
	Exemption/Modification (Justification attached; subject to approval).
	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.
	Exemption/Modification (Justification attached; subject to approval).
	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 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, the 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.
	Exemption/Modification (Justification attached; subject to approval).
9.4	Other Requirements:
	All insurance required by this Agreement shall be with a company acceptable to NMC 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.

Each liability policy shall provide that NMC 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 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 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 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 from 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 from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by NMC, CONTRACTOR shall file certificates of insurance with NMC's Contracts/Purchasing Department, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR 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.

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 NMC, annual certificates to NMC's Contracts/Purchasing Department. If the certificate is not received by the expiration date, NMC 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 NMC, at its sole discretion, to terminate the Agreement immediately.

10. RECORDS AND CONFIDENTIALITY.

10.1 Confidentiality. CONTRACTOR 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. CONTRACTOR shall not disclose any confidential records or other confidential information received from NMC or prepared in connection with the performance of this Agreement, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to NMC any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not 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.

- 10.2 <u>NMC Records</u>. When this Agreement expires or terminates, CONTRACTOR shall return to NMC any NMC records which CONTRACTOR used or received from NMC to perform services under this Agreement.
- 10.3 <u>Maintenance of Records</u>. CONTRACTOR 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. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.
- 10.4 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 or \$10,000, the parties to this Agreement 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 years after final payment under the Agreement.
- 10.5 Royalties and Inventions. NMC shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of NMC.
- 11. NON-DISCRIMINATION. During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not 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 CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR 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. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full 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.
- 12. COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT. If this Agreement has been or will be funded with monies received by NMC pursuant to a contract with the state or federal government in which NMC is the grantee, CONTRACTOR will comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.
- 13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of NMC. No offer or obligation of permanent

employment with NMC or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from NMC any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR 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 CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold NMC and the County of Monterey harmless from any and all liability, which NMC may incur because of CONTRACTOR's failure to pay such taxes.

14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to NMC and CONTRACTOR's contract administrators at the addresses listed below

NATIVIDAD MEDICAL CENTER:

Natividad Medical Center Attn: Contracts Division 1441Constitution Blvd Salinas, CA. 93906 FAX: 831-757-2592

CONTRACTOR:			
Business Name: Monterey Anesthesia Professionals			
Attn: Amish Shah			
Address: 1522 Constitution Blvd, #123			
City, State, Zip: Salinas, CA 93905			
FAX:			
Email:			

15. MISCELLANEOUS PROVISIONS.

- 15.1 <u>Conflict of Interest</u>: CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.
- 15.2 <u>Amendment</u>: This Agreement may be amended or modified only by an instrument in writing signed by NMC and the CONTRACTOR.
- 15.3 <u>Waiver</u>: Any waiver of any terms and conditions of this Agreement must be in writing and signed by NMC and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 15.4 <u>Contractor</u>: The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

- 15.5 <u>Disputes</u>: CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 15.6 <u>Assignment and Subcontracting</u>: The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of NMC. None of the services covered by this Agreement shall be subcontracted without the prior written approval of NMC. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 15.7 <u>Successors and Assigns</u>: This Agreement and the rights, privileges, duties, and obligations of NMC and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 15.8 <u>Compliance with Applicable Law</u>: The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.9 <u>Headings</u>: The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10 <u>Time is of the Essence</u>: Time is of the essence in each and all of the provisions of this Agreement
- 15.11 Governing Law: This Agreement shall be governed by and interpreted under the laws of the State of California.
- 15.12 <u>Non-exclusive Agreement</u>: This Agreement is non-exclusive and each of NMC and CONTRACTOR expressly reserves the right to contract with other entities for the same or similar services.
- 15.13 <u>Construction of Agreement</u>: NMC and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 15.14 <u>Counterparts</u>: This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 15.15 <u>Integration</u>: This Agreement, including the exhibits, represents the entire Agreement between NMC and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations representations, or agreements, either written or oral, between NMC and CONTRACTOR as of the effective date of this Agreement, which is the date that NMC signs the Agreement.
- 15.16 <u>Interpretation of Conflicting Provisions</u>: In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

NATIVIDAD MEDICAL CENTER	CONTRACTOR
By: Gary R. Gray, DO CEO	Monterey Anesthesia Professionals Contractor's Business Name*** (see instructions)
Date: 12/3020	Signature of Chair, President, or Vice-President Auish Sheh - Medical Director/ Name and Title Parkner
APPROVED AS TO LEGAL PROVISIONS	Date: December 18, 2020
By: Jacy County Deputy County Counsel Date: 12/28/2020	By: Janya Redd ((Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)
Approved as to Fiscal Provisions	Vyayalakshmi M. Reddy Partner Name and Title Date: 12-18-20
By: Gary K Giboney Monterey County Deputy Auditor/Controller Date: 1-5-2020	***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

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 an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

EXHIBIT A

Scope of Services

CONTRACTOR will apply its best efforts to obtain reimbursement for HOSPITAL's charges for all anesthesia professional services rendered to Hospital patients ("Anesthesia Services") rendered on or after the Effective Date, through billing of patients and third party payers and the management of HOSPITAL's accounts receivable (the "Billing Agent Services"). During the term of this Agreement, CONTRACTOR will be the exclusive provider of the Billing Agent Services to HOSPITAL.

I. Billing Agent Services:

- 1. CONTRACTOR shall bill and collect, in the name and on behalf of HOSPITAL, for Anesthesia Services furnished at HOSPITAL, in accordance and in compliance with applicable laws, customary professional practice, the Medicare and Medicaid Programs and other third party payor programs, whether public or private.
- 2. CONTRACTOR shall adopt and maintain billing and coding compliance policies and procedures to ensure CONTRACTOR's compliance with applicable Laws, including those of the Federal Health Care Programs, including:
 - a. Perform coding from information provided by or on behalf of HOSPITAL, including service reports, as required by third party payers, inclusive of, but not limited to: CPT-4 and/or HCPCS, including applicable modifiers, and ICD-10 CM coding schemes. All coding services shall conform to currently applicable and published rules and guidelines issued by the American Medical Association, and the Centers for Medicare and Medicaid Services:
 - b. Regularly monitor patient services and visit volume(s) with detailed, patient-by-patient audits, reconciled to applicable service, encounter and activity records/logs on a monthly basis;
 - c. Use reasonable efforts to enter all procedural and demographic data necessary for patient and third party billing into its billing system in a timely (within five business days of receipt) in an accurate manner subject to HOSPITAL's obligation under the Agreement to provide accurate and complete demographic information.
 - d. Issue bills to individuals for all self-pay balances owed. The wording to appear on bills and letters shall warrant that all proposed language conforms to applicable state and federal collection laws.
 - e. Provide HOSPITAL with regular (weekly) reports of all patients with billable charges.
 - f. Provide HOSPITAL with regular (monthly) reports of all claim payments/collections, denials, rejections, payment reductions.

3. <u>Billing Agent Services</u>. HOSPITAL shall pay to CONTRACTOR an amount equal to Two Hundred Fifty Dollars (\$250) per hour, not to exceed Five Thousand Dollars (\$5,000) per month, for the Billing Agent Services provided pursuant to Section II of this Exhibit A, (the "Billing Agent Services Fee"), after CONTRACTOR's submission of the monthly invoice of preceding month's activity. The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is "30 days after receipt of the certified invoice in the Auditor-Controller's Office".

III. Termination:

- 1. In the event this Agreement is terminated, for whatever reason, or expires, CONTRACTOR will:
 - a. continue to perform Billing Agent Services, at the then-current rates hereunder, for a period of sixty (60) days after the effective date of termination (the "Wind Down Period") for all of HOSPITAL's accounts receivable relating to Anesthesia Services rendered prior to the termination date ("Existing Accounts Receivable");
 - b. deliver to HOSPITAL, after and conditioned upon full payment to CONTRACTOR of all undisputed fees owed to CONTRACTOR by HOSPITAL under this Agreement, a complete list of Existing Accounts Receivable (all debit and credit balances) in an industry standard electronic format, including data layout and/or translation tables; and
 - c. discontinue performing Billing Agent Services as to HOSPITAL's Existing Accounts Receivable at the end of the Wind Down Period.
- 2. HOSPITAL expressly agrees to cooperate and assist CONTRACTOR with its performance during the Wind Down Period and will timely report, or cause to be reported, all payments applicable to the Existing Account Receivable for which CONTRACTOR is responsible.

- g. Provide HOSPITAL with regular (monthly) reports of outstanding receivables by payer and aging.
- 3. HOSPITAL shall have reasonable access to CONTRACTOR's records in order to assure CONTRACTOR's compliance with this Agreement.
- 4. CONTRACTOR shall have no responsibilities relating to billing of HOSPITAL's claims with dates of service prior to the Effective Date.
- 5. CONTRACTOR agrees not to disclose to anyone other than HOSPITAL any information about HOSPITAL's fee structure, internal compensation, managed care or facility contracting strategies, or similar business information that would commonly be understood to be confidential or any confidential medical information regarding HOSPITALS's patients received in the course of performing the Billing Agent Services (collectively, HOSPITAL's "Confidential Information"), except as required to bill charges, as required by law or legal or regulatory process or as otherwise provided herein.
- 6. The parties may, from time to time, mutually agree to specific operating policies and procedures related to the performance of Billing Agent Services under this Agreement. Any such operating policies and procedures, or amendments thereto, will, upon mutual written and signed agreement, become an integral part of this Agreement and shall be binding upon both parties.
- 7. CONTRACTOR will have authority to negotiate contract rates with all payers and provide appropriate discounts to patients without insurance following all regulations. CONTRACTOR shall consult with HOSPITAL with proposals as appropriate.

II. Pricing/Fees:

- 1. Net Collections. On or before the tenth (10th) day of each month, CONTRACTOR shall remit to HOSPITAL any collections or any other compensation, in whatever form, that is received by CONTRACTOR during the immediately preceding month for Anesthesia Services rendered at HOSPITAL, including any amount received from any Managed Care Organization (as defined below) for Anesthesia Services rendered, less amounts refunded or credited to patient or third party payor as a result of overpayments, erroneous payments or bad checks ("Net Collections"), minus a billing fee equal to five percent (5%) of all such Net Collections. HOSPITAL shall reimburse CONTRACTOR the actual postage charges for direct patient statements (initial bills or reminders) and bank fees for credit card services.
- 2. Expense Reimbursement. HOSPITAL shall reimburse CONTRACTOR for postage charges for direct patient statements (initial bills and rebills or reminders) sent out on HOSPITAL's behalf, charged to CONTRACTOR at cost; providing CONTRACTOR submit supporting documentation of the basis for the allocation of postage costs and other, and listing of account details supporting all collections.