

COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

CPS Solutions, LLC.

(hereinafter "CONTRACTOR").

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

1.0 GENERAL DESCRIPTION:

See ADDENDUM


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CONTRACTOR

County

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide: 340B program audit and consulting services.

2.0 PAYMENT PROVISIONS:

See ADDENDUM


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CONTRACTOR

County

County 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 County to CONTRACTOR under this Agreement shall not exceed the sum of: \$ 259,610.

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from February 1, 2024 to January 31, 2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement.**

See ADDENDUM


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CONTRACTOR

County

~~3.02~~ The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

See ADDENDUM


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CONTRACTOR

County

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other:

5.0 PERFORMANCE STANDARDS:

- 5.01 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 the County, or immediate family of an employee of the County.
- 5.02 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.
- 5.03 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 County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

- 6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.
- 6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.
- 6.03 Invoice amounts shall be billed directly to the ordering department.

See ADDENDUM



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 CONTRACTOR

 County

~~6.04 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. The County shall certify the invoice, either in the requested amount or in such other amount as the County 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.~~

7.0 TERMINATION:

See ADDENDUM



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 CONTRACTOR

 County

~~7.01 During the term of this Agreement, the County 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.~~

See ADDENDUM



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CONTRACTOR

County

~~7.02 The County 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 County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.~~

7.03 The County'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 the County's purchase of the indicated quantity of services, then the County 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.

~~8.0 INDEMNIFICATION:~~

See ADDENDUM



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CONTRACTOR

County

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

9.0 INSURANCE REQUIREMENTS:

9.01 **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 the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **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 the County's Purchasing Manager.

9.03 **Insurance Coverage Requirements:** 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.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Requestor must check the appropriate Automobile Insurance Threshold:

Requestor must check the appropriate box.

Agreement Under \$100,000 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.

Agreement Over \$100,000 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 or Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County 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.

(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County 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.

(Note: any proposed modifications to these insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

9.04 **Other 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 years following the date CONTRACTOR 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 days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

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 form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, 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 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 always 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 Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of

this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 **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 the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County 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 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.3 **Maintenance of Records:** 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:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

See APPENDUM



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CONTRACTOR

County

~~10.5 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others 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 County.~~

11.0 **NON-DISCRIMINATION:**

11.1 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), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and

~~15.0 NOTICES:~~

SEE ADDENDUM

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CONTRACTOR

~~Notices required under this Agreement shall be delivered personally or by first class postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below.~~

County		FOR COUNTY:	FOR CONTRACTOR:
		Elsa Jimenez, Director of Health	Frank Segrave, Chairman and Chief Executive Officer
		Name and Title	Name and Title
		1270 Natividad Road, Salinas, CA 93908	OPS Solutions, LLC 855 Metro Plaza South, Suite 400 Dublin, OH 43017
		Address	Address
		831 755-4526	
		Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

- 16.01 **Conflict of Interest:** 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 services required to be rendered under this Agreement.
- 16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.
- 16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County 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.
- 16.04 **Contractor:** 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.
- 16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County 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.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

See APPENDUM

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CONTRACTOR

~~16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California, venue shall be Monterey County.~~

County

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County 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.

16.13 **Counterparts:** 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.

16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County 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 the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** 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.

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.1 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 et seq. Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this

Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.2 Counterparts.

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.3 Form; Delivery by E-Mail or Facsimile.

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

***** THIS SECTION INTENTIONALLY LEFT BLANK *****

18.0 SIGNATURE PAGE

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: _____

Approved as to Form
Office of the County Counsel
Leslie J. Girard, County Counsel

By: DocuSigned by:
Stacy Saetta
County Counsel

Date: 12/19/2023 | 3:56 PM PST

Approved as to Fiscal Provisions
By: Jennifer Forsyth
Auditor/Controller

Date: 12/20/2023 | 3:37 PM PST

Approved as to Liability Provisions
Office of the County Counsel-Risk Manager
Leslie J. Girard, County Counsel-Risk Manager

By: _____
Risk Management

Date: _____

CONTRACTOR

CPS Solutions, LLC
Contractor/Business Name *

By: Frank Segrave
(Signature of Chair, President, or Vice-President)
Frank Segrave, Chairman and Chief Executive Officer
Name and Title

Date: Nov 16, 2023

By: Ben Hansen
(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)
Ben Hansen
CFO
Name and Title

Date: Nov 17, 2023

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: IF CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal 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 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 or Amendment to said Agreement.

¹Approval by County Counsel is required

²Approval by Auditor-Controller is required

³Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

ADDENDUM 1

to County of Monterey Standard Agreement (“Agreement”)
by and between CPS Solutions, LLC (“Contractor”), and County of Monterey, on behalf of
its Health Department (“County”)

This Addendum, dated as of the effective date of the Agreement, amends, modifies, and supplements the Agreement by and between Contractor and County. This Addendum has the full force and effect as if set forth within the Agreement. To the extent that any of the terms or conditions contained in this Addendum may contradict or conflict with any of the terms and conditions of the Agreement, it is expressly understood and agreed that the terms and conditions of this Addendum shall take precedence and supersede the attached Agreement.

NOW, THEREFORE, Contractor and County agree that the Agreement service terms and conditions shall be amended, modified, and supplemented as follows:

Under Section 1.0 GENERAL DESCRIPTION:

Section 1.0 is deleted in its entirety and replaced with the following:

“1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Section 4 .0 (and the Exhibits referenced therein)** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows: **Provide:** 340B program audit and consulting services.”

Under Section 2.0 PAYMENT PROVISIONS:

Section 2.0 is deleted in its entirety and replaced with the following:

“2.0 PAYMENT PROVISIONS:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit B for the 340B Remote Monitoring Services and as set forth in Exhibit C for the 340B Continuous Readiness Services**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of **\$259,610.**”

Under Section 3.0 TERM OF AGREEMENT:

Section 3.02 is deleted in its entirety in this Agreement.

Under Section 4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

Section 4.0 is deleted in its entirety and replaced with the following:

“4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached Addendum and exhibits are incorporated herein by reference and constitute a part of this Agreement:

Addendum 1 to Agreement

Exhibit A: Other Provisions

Exhibit B: Advisory SOW #1 (Remote 340B Monitoring)

Exhibit C: Advisory Statement of Work #2 (340B Continuous Readiness Program)

Exhibit D: 340B Covered Entities

Exhibit E: BAA”

Under Section 6.0 PAYMENT CONDITIONS:

Section 6.04 is deleted in its entirety and replaced with the following:

“6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 60 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. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement. County shall submit each such certified invoice in such undisputed amount to the County Auditor-Controller for payment within fifteen (15) days of the County’s receipt of each invoice. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice by automated clearing house transfer (e.g., ACH push) to an account designated by Contractor in writing, so that in each case, payment is received by Contractor within forty-five (45) days of the County’s receipt of such invoice. If the County does not pay any invoiced amount (or portion thereof, each a “**Disputed Amount**”), then County shall within fifteen (15) days of the County’s receipt of each invoice send Contractor a formal dispute notice (each a “**Dispute Notice**”), which must specify in detail the Fees, and/or other amounts that the County is disputing and the reason for each Disputed Amount (with citations to the applicable provisions of this Agreement supporting County’s dispute). With respect to any such dispute, the Parties shall first attempt to resolve such dispute informally. A County executive and the lead Contractor Personnel providing Services under the SOW shall attempt in good faith to resolve the dispute. In the event they are unable to resolve a dispute within ten (10) days, then either Party may refer the dispute for resolution to such individuals’ superiors upon written notice to the other Party. If any Disputed

Amount remains unpaid after ninety (90) days, CPS may suspend its Services under the Agreement until the dispute is resolved.

Under Section 7.0 TERMINATION:

Section 7.01 is deleted in its entirety and replaced with the following:

“During the term of this Agreement, the County may terminate this Agreement, or any extension of this Agreement, without cause, with at least ninety (90) written notice. 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.

Section 7.02 is deleted in its entirety and replaced as follows:

“7.02. The County may cancel and terminate this Agreement for good cause effective immediately upon expiration of thirty (30) days’ written notice to CONTRACTOR describing a breach of this Agreement that remains uncured upon expiration of such thirty (30)-day period. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under the Agreement.

Under Section 8.0 INDEMNIFICATION:

Section 8.0 of the Agreement is deleted in its entirety and replaced with the following:

“8.0 INDEMNIFICATION:

Each Party (each the “**Indemnifying Party**”) shall indemnify, defend, and hold harmless the other Party and such Party’s officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys’ fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the Indemnifying Party’s negligence or willful misconduct. “CONTRACTOR’S performance” includes CONTRACTOR’S action or inaction and the action or inaction of CONTRACTOR’S officers, employees, agents and subcontractors.”

Under Section 10.0 RECORDS AND CONFIDENTIALITY:

Section 10.5 is deleted in its entirety and replaced with the following:

“10.5 Royalties and Inventions: County shall have during the term of this Agreement a royalty-free license to use 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.”

Under Section 12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

Section 12.0 is deleted in its entirety from this Agreement.

Under Section 13.0 COMPLIANCE WITH APPLICABLE LAWS:

Section 13.2 is deleted in its entirety and replaced with the following:

“13.2 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services. County acknowledges that such report is not legal advice and will consult its own counsel regarding applicable laws.”

Under Section 15.0 NOTICES:

Section 15.0 of the Agreement is deleted in its entirety and replaced with the following:

“15.0 NOTICES:

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

FOR COUNTY:	FOR CONTRACTOR:
Elsa Jimenez Director of Health	Frank Segrave Chairman and Chief Executive Officer
1270 Natividad Road Salinas, CA 93906	CPS Solutions, LLC 655 Metro Place South, Suite 450 Dublin, Ohio 43017

WITH COPY TO:	WITH COPY TO:
Clinic Services Bureau Attn: Contracts Monitor	Leanne Ebert Murphy Executive Vice President and General Counsel
1615 Bunker Hill Way, Ste. 140 Salinas, CA 93906	CPS Solutions, LLC 655 Metro Place South, Suite 450 Dublin, Ohio 43017

Under Section 16.0 MISCELLANEOUS PROVISIONS:

Section "16.10 Governing Law" is deleted in its entirety from this Agreement.

COUNTY OF MONTEREY

CONTRACTOR

By: _____ Date: _____
(Title of Signer)


Frank Segrave (Nov 17, 2023 19:24 EST)
By: CEO Date: Nov 16, 2023
(Title of Signer)

Approved as to Fiscal Provisions:

DocuSigned by:

By: _____ Date: 12/20/2023
4E7E057875454AE...
Auditor-Controller

Ben Hansen
Ben Hansen (Nov 20, 2023 15:49 EST)
By: CFO Date: Nov 17, 2023
(Title of Signer)

Approved as to Legal Form:

DocuSigned by:

By: _____ Date: 12/19/2023 | 3:56 PM PST
C0ECE1B99E444A9...
Stacy L. Saetta
Chief Deputy County Counsel

EXHIBIT A

OTHER PROVISIONS

DEFINITIONS. This “**Agreement**” refers to the County of Monterey Standard Agreement entered into between the County of Monterey, a political subdivision of the State of California (“**County**”) and CPS Solutions, LLC (“**Contractor**”), as amended by that certain Addendum 1 to the Agreement between the Parties hereto (the “**Addendum**”). Certain capitalized terms are defined in the Agreement (including this **Exhibit A**) where they are used. Other capitalized terms are defined in **Appendix 1** (Defined Terms) attached to this **Exhibit A**. Contractor and County are individually referred to herein as a “**Party**” and collectively as the “**Parties**.”

1. SERVICES.

1.1. **Services.** The Agreement (including this Exhibit A) contains the terms and conditions upon which County may procure services from Contractor and certain of Contractor Affiliates. Contractor, or its designated Affiliate, shall provide such services (collectively, the “**Services**”) to County as the Parties may mutually agree upon from time to time in a written statement of work (each, an “**SOW**”).

2. OTHER SERVICE TERMS.

2.1. County Provided Systems.

2.1.1. **County Provided Systems.** Unless otherwise agreed to in writing by the Parties, for each System that Contractor provides Contractor with access to in connection with the Services (collectively, the “**County Provided Systems**”), County hereby grants to Contractor and its Personnel, a non-exclusive, worldwide, unlimited user, royalty-free, irrevocable (during the term of the applicable SOW) license and right to access, use and interface with such County Provided Systems, solely in connection with the Services provided for in such SOW

2.2. Required Consents.

2.2.1. **Contractor Consents.** Contractor shall obtain all Required Consents necessary to enable Contractor, County, and their respective Personnel to access, use, and disclose the Contractor IP and Contractor Confidential Information that Contractor is required to disclose or provide to County per this Agreement. Contractor shall bear all costs, if any, of obtaining such Required Consents.

2.2.2. **County Consents.** County shall obtain all Required Consents necessary to enable Contractor, County, and their respective Personnel to access, use, disclose and interface with the County IP (including County Provided Systems), County Data (including all PHI and Personal Information) and County Confidential Information as necessary for each Party to exercise its rights and fulfill its responsibilities under this Agreement. County shall bear all costs, if any, of obtaining such Required Consents. If any individual (prior to or after the disclosure of PHI or Personal Information to Contractor) imposes restrictions on any access, disclosure or use of such individual’s PHI or Personal Information (that are inconsistent with the rights granted in this Agreement), County shall promptly inform Contractor.

2.3. **PHI Storage.** Contractor shall not be obligated to maintain a designated record set containing PHI (within the meaning of HIPAA) or otherwise store PHI received from County, its Affiliates, or its/their patients in any Contractor Provided System or otherwise retain such PHI. Contractor’s use of County PHI is governed by that certain Business Associate Agreement, effective as of the effective date of this Agreement, between the Parties (the “**BAA**”).

3. INTELLECTUAL PROPERTY RIGHTS.

3.1. **County IP Rights.** Contractor acknowledges that County, its Affiliates or its/their licensors claim ownership of the County IP. Further, except as expressly otherwise stated in this Agreement: (a) this Agreement is not a license or assignment of any right, title, or interest in the County IP; (b) Contractor shall not: (i) represent, in any manner, that it has any ownership or other interest in the County IP, or (ii) use or disclose the County IP; except in connection with performing the Services, and (c) Contractor's permitted use of County IP is limited to the term of the SOW(s) for which it was provided or made available and upon termination or expiration of such SOW(s), Contractor shall promptly cease all use of such County IP.

3.2. Contractor IP Rights.

3.2.1. **County Acknowledgement.** County acknowledges that Contractor, its Affiliates or its/their licensors claim ownership of the Contractor IP. Further, except as expressly otherwise stated in this Agreement: (a) this Agreement is not a license or assignment of any right, title, or interest in the Contractor IP; (b) County shall not: (i) represent, in any manner, that it has any ownership or other interest in the Contractor IP, or (ii) use or disclose the Contractor IP except in connection with its receipt of the Services; and (c) County's permitted use of Contractor IP is limited to the term of the SOW(s) for which it was provided or made available and upon termination or expiration of such SOW(s), County shall promptly cease all use of such Contractor IP.

3.2.2. **License to County.** Subject only to the licenses granted in this Agreement, title to Contractor IP and Contractor Confidential Information will not be affected by this Agreement and will at all times remain with Contractor or the applicable third-party licensor. To the extent reasonably required to permit County and its Personnel to fully and completely use and receive the benefit of the Services and Work Products (during the term of the applicable SOW) and the Deliverables (during and after such term), Contractor hereby grants to County a United States-only, royalty-free (subject only to the Fees, Reimbursed Costs and other amounts due under this Agreement), multi-site, enterprise-wide, irrevocable (except as otherwise provided herein), non-exclusive right and license to copy, access, use all Contractor IP and Contractor Confidential Information incorporated in such Work Product or Deliverable solely in connection with County's use of such Work Product or Deliverable in accordance with this Agreement, to the same extent as if County were the sole owner thereof, without an obligation to account to Contractor.

3.3. Ownership.

3.3.1. **Work Products.** Subject only to Section 10.5 (Royalties and Inventions) in the Addendum and Section 3.3.2 (Deliverables) below, title to all Work Products will not be affected by this Agreement and will at all times remain with Contractor (or Contractor's licensor). Contractor hereby grants to County during the term of the applicable SOW a United States-only, royalty-free (subject only to the Fees, Reimbursed Costs and other amounts due under this Agreement), multi-site, enterprise-wide, revocable, non-exclusive right and license to copy, access, and use, in each case, solely in connection with the portion of County's business for which the applicable Services are being provided, all Work Products delivered to County (but only in the form delivered to County).

3.3.2. **Deliverables.** The Parties agree that: (a) any copyrightable aspects of Deliverables shall be "works made for hire" to the fullest extent permitted by Applicable Law; and (b) Contractor hereby assigns to County, upon payment in full for such Deliverable(s), Contractor's worldwide right, title, and interest in such Deliverable(s). Contractor shall promptly execute any documents that County may reasonably request from time to time to give effect to the provisions of this Section 4.3.2.

3.3.3. **Aggregation License.** County acknowledges that Contractor is capable of aggregating information from multiple clients and to use that information to improve decision guidance provided by the

Contractor to Contractor's clients. Therefore, notwithstanding any other provision of this Agreement, County hereby grants to Contractor an Aggregation License to all County Data, and other information (other than PHI and Personal Information) disclosed to Contractor by, or on behalf of, County in connection with the applicable SOW. If such County Data, and other information qualifies as (or Contractor modifies it to qualify as) De-Identified Non-Regulated Information; then any such De-Identified Non-Regulated Information shall be solely owned by Contractor (without any restriction).

3.3.4. **Cooperation.** To the extent that ownership of any IP or other right, title or interest in the Work Product or De-Identified Non-Regulated Information does not automatically vest in Contractor, County irrevocably assigns (and shall cause its Personnel to assign) to Contractor all right, title and interest with respect thereto, and County shall execute (and shall cause its Personnel to execute) such further assignments and other documents as Contractor may reasonably request to document Contractor's ownership.

4. REPRESENTATIONS, WARRANTIES, COVENANTS AND RETAINED RESPONSIBILITIES.

4.1. **Contractor's Additional Representations.** Contractor further represents, as of the Effective Date of this Agreement, and warrants and covenants during the term of each SOW, to County that: (a) the Services will: (1) be performed by qualified Personnel; (2) be performed in a good and workman-like manner, consistent with industry standards; provided, however, that the foregoing shall not alter any particular standard or criteria for performance expressly set forth in this Agreement; (3) conform to the provisions of this Agreement; and (4) not violate or infringe upon the IP rights of third parties, subject to County's obligation to obtain the Required Consents for County Provided Systems; and (b) to Contractor's knowledge, neither Contractor nor its Personnel performing Services under this Agreement have been excluded, nor, to Contractor's knowledge, is it about to be excluded from participation in any "Federal Healthcare Program" (as defined below). Contractor agrees to notify County within ten (10) business days of Contractor's receipt of a notice of intent to exclude or actual notice of exclusion of Contractor or any Contractor Personnel performing Services under this Agreement from any such program. The listing of Contractor or such Contractor Personnel on the Office of Inspector General's List of Excluded Individuals and Entities, the General Services Administration's System for Award Management Excluded Parties List System, any state Medicaid exclusion list, or the Office of Foreign Assets Control's (OFAC's) blocked list shall constitute "exclusion" for purposes of this Section. If Contractor is excluded from any Federal Healthcare Program, such exclusion shall be deemed a material breach of this Agreement by Contractor. For the purpose of this paragraph, the term "**Federal Healthcare Program**" means the Medicare program, the Medicaid program, TRICARE, any healthcare program of the Department of Veteran Affairs, the Maternal and Child Health Services Block Grant program, any state children's health insurance program, or any similar program. If such Contractor Personnel is excluded from such programs, Contractor will replace that person within a reasonable time.

4.2. **County's Additional Representations.** County further represents, as of the Effective Date of this Agreement, and warrants and covenants during the term of each SOW, to Contractor that: (a) County shall comply with all standards required for accreditation by the accreditation organization which accredits County (e.g., The Joint Commission), as well as all applicable state board of pharmacy standards, CMS Standards and state and/or local department of health standards pertaining to the County's operations, including any related pharmaceutical services performed by County at each of the 340B Covered Entities. County shall provide Contractor and Contractor Personnel with the administrative support that is reasonably necessary to ensure that County complies with the foregoing requirements; (b) Contractor's use of the County Provided Systems in accordance with this Agreement, will not violate any third party's IP rights; and (c) County shall provide a safe and secure working environment for each Contractor Personnel and County Personnel who is providing Services at one or more County 340B Covered Entities. In addition, for all Contractor Personnel based at one or more 340B Covered Entities, County is responsible for providing all appropriate training to such Personnel regarding safety and compliance with County's HIPAA/PHI, Personal Information and data/privacy security requirements as well as all such other training that County is required to provide to its own Personnel, in each case, in accordance with industry standards and Applicable Law.

4.3. County-Retained Responsibilities. Notwithstanding any other provision of this Agreement:

4.3.1. Overall Responsibility. County is ultimately responsible for the operation of each of the 340B Covered Entities, for securing, paying for and maintaining all necessary licenses for its operations, the results of its operations, and for monitoring compliance of its operations (including those supervised by Contractor). County's actions and omissions are within the sole discretion of County. This Agreement does not transfer compliance or regulatory responsibility to Contractor, and County retains sole responsibility for ensuring that County and its operations comply with all Applicable Laws (including securing all required business associate agreements). As such, Contractor, its Affiliates and their Personnel shall not be liable for actions or omission by County as a result of County accepting or rejecting any Contractor recommendation; however, subject to the foregoing and Section 4.3.3 (Policy and Procedure Manual) below, Contractor remains liable for any negligent acts or omissions or breaches of this Agreement by Contractor. County retains sole responsibility for the implementation of County's 340B Program, including its 340B Program's compliance with all Applicable Laws.

4.3.2. Managed Operations. Contractor will only have responsibility for the County's operations that Contractor has agreed in a SOW to manage and then only to the limited extent set forth therein. Further, County agrees that County, not Contractor, shall have sole liability for County's operations prior to the date that Contractor has taken over the management of such operations. Except as expressly set forth in this Agreement, County retains all responsibility and authority for the County operations supported by the Services, including: (a) the management of County's operations, Systems and County's Personnel; (b) County's obligations set forth herein; (c) the performance of all actions that constitute the clinical practice of medicine, including the provision of patient care and the use of Pharmaceutical Products; (d) making all decisions that require clinical judgment, including all decisions regarding the choice of which Pharmaceutical Products to provide to patients and other decisions regarding and affecting the quality, availability, accessibility and affordability of care to patients; and (e) providing all Personnel, financial support and other resources needed for County operations. For the avoidance of doubt, the Parties agree that: (x) nothing in this Agreement shall be construed to delegate to Contractor any such County-retained responsibility or any other obligation that may only be held or exercised by County under Applicable Law, and (y) the Services provided by Contractor's licensed pharmacists do not constitute the clinical practice of medicine or other clinical services.

4.3.3. Policy and Procedure Manual. County retains primary and ultimate responsibility for the development, implementation, approval, and ongoing updating and modification of necessary and appropriate policies and procedures manuals (including all reasonable and appropriate disaster recovery, back-up and emergency procedures) that meet the requirements of all Applicable Law for County's operations, including those operations supported by the Services (the "Policy and Procedure Manual" or "PPM"). To the extent provided for in a SOW, Contractor may provide non-legal recommendations and/or other advice to County regarding the development, implementation and/or modification of County's PPM; however, County retains primary and ultimate responsibility for its Policy and Procedure Manual. Further, County is responsible for obtaining any internal, regulatory or other external third-party approvals required for its PPM and any modifications thereto. County's Policy and Procedure Manual (in its present or revised form) shall not be deemed to be an Amendment to this Agreement and shall not alter Contractor's obligations under this Agreement. Prior to the commencement of any Services, or as promptly as practicable, County shall provide to Contractor a copy of its PPM (or portion thereof) applicable to the Services (e.g., those related to its 340B Program). Further, County shall provide Contractor with thirty (30) days' prior written notice of any proposed changes to the PPM that would have a significant impact on Contractor's provision of Services under any SOW. Contractor will promptly review the PPM and any proposed modifications thereto, as applicable, to assess their impact upon the Services under the applicable SOW, and either Party may propose an Amendment to this Agreement that addresses any changes and additional Fees or Reimbursed Costs that are appropriate given the proposed change to the PPM's impact on the Services. Notwithstanding anything to the contrary in this Agreement, Contractor will not be

obligated to abide by any PPM or any proposed revision thereto until Contractor has agreed in writing to accept such PPM (or change thereto) and, in each such case, Contractor may condition its acceptance upon County and Contractor having first executed a mutually acceptable Amendment.

4.3.4. **Committees.** County retains sole responsibility for the creation and management of all County committees (e.g., P&T committee) and all decisions taken by such committees. To the extent set forth in the applicable SOW, Contractor shall participate in pharmacy, therapeutics committees and/or other appropriate County committees, provided that Contractor's Personnel shall not be voting member(s) of such committees.

4.3.5. **Pricing.** County shall be solely responsible for establishing prices charged to patients or patients' payers for Pharmaceuticals Products or related services provided by County.

4.3.6. **Billing and Collections.** County shall be solely responsible, and Contractor shall have no responsibility for, County's billing and collection functions or operations, including the following: (i) contracting with third-party insurance carriers/payers; (ii) determining which patients qualify for charitable care, (iii) any uncollected amounts, overpayments, or repayments, and/or unpaid claims (e.g., collection write-offs, cash collection shortages, rejects, denials and other adjustments); or (iv) payment of expenses incurred in connection therewith.

4.3.7. **Security.** County retains sole responsibility for designing, implementing, maintaining and enhancing the methods, protocols and other measures necessary to protect the security of County Provided Systems, County's 340B Covered Entities, including any Contractor property at such 340B Covered Entities and County Confidential Information, including PHI and Personal Information of County's Personnel and County's customers.

4.3.8. **Data Integrity.** County is solely responsible for the accuracy, completeness, and appropriateness of all County Data.

4.3.9. **Operational Issues.** When Contractor is making Pharmaceutical Products purchasing recommendations under an SOW, Contractor will do so in good faith and will endeavor to only recommend changing from one product to another when such items are therapeutically equivalent or substitutable; however, County is ultimately responsible for making such clinical judgements. Except where Contractor Personnel are personally dispensing Pharmaceutical Products to a patient (in their role as a licensed pharmacist), County acknowledges and agrees that County is solely responsible for the handling, dispensing, sterilization, packaging and administering Pharmaceutical Products to patients or other third parties. Contractor, its Affiliates and their Personnel are not responsible or liable for any supply errors, missing Pharmaceutical Products or other claims, in whole or in part, resulting from: (a) any physician error (including the failure to order, if any, appropriate Pharmaceutical Products, therapy interventions, or any distribution of such Pharmaceutical Products after they have left Contractor's custody); or (b) any failure of County to have or maintain adequate policies and procedures or any failure of County Personnel to follow County's PPM. Contractor, its Affiliates and their Personnel are not responsible for any act or omission by Contractor Personnel done in compliance with the County's PPM.

4.4. DISCLAIMERS. EXCEPT AS EXPRESSLY PROVIDED FOR IN THIS AGREEMENT, THERE ARE NO EXPRESS WARRANTIES MADE BY EITHER PARTY, AND ALL IMPLIED WARRANTIES AND COVENANTS (OTHER THAN THE DUTY OF GOOD FAITH, BUT EXPRESSLY INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT) ARE HEREBY DISCLAIMED. FURTHER ANY SYSTEMS PROVIDED BY CONTRACTOR (INCLUDING THE CONTRACTOR CONTENT THEREIN) ARE PROVIDED BY CONTRACTOR "AS IS" AND "AS AVAILABLE" AND CONTRACTOR DOES NOT REPRESENT OR WARRANT THAT SUCH SYSTEMS OR CONTRACTOR

CONTENT WILL OPERATE ERROR-FREE, OR WITHOUT INTERRUPTION; NOR THAT THEY ARE SUITABLE TO OPERATE IN COMBINATION WITH ANY OTHER SYSTEMS COUNTY MAY HAVE. FURTHER, THE PARTIES AGREE THAT THEY HAVE NOT RELIED ON ANY REPRESENTATIONS NOT SET FORTH IN THIS AGREEMENT AND THAT SUCH RELIANCE WOULD NOT BE REASONABLE.

5. LIMITATION OF LIABILITY.

5.1. LIMITATIONS. SUBJECT TO SECTION 5.3 (EXCLUSIONS) BELOW, NEITHER PARTY (NOR SUCH PARTY'S AFFILIATES AND THEIR RELATED PERSONS) SHALL BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, EXEMPLARY, OR PUNITIVE DAMAGES (INCLUDING LOST PROFITS) ARISING IN CONNECTION WITH THIS AGREEMENT, INCLUDING THE BAA OR THE PERFORMANCE, OMISSION OF PERFORMANCE, OR TERMINATION HEREOF, WITHOUT REGARD TO THE NATURE OF THE CLAIM (E.G., BREACH OF CONTRACT, NEGLIGENCE, OR OTHERWISE), EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, THE MAXIMUM, CUMULATIVE, AND AGGREGATE LIABILITY OF EACH PARTY (TOGETHER WITH, ITS AFFILIATES AND THEIR RELATED PERSONS), IN CONNECTION WITH THIS AGREEMENT, INCLUDING THE BAA, SHALL NOT EXCEED THE GREATER OF: (A) THE AGGREGATE AMOUNT OF ALL FEES PAID BY CLIENT TO CONTRACTOR FOR ALL SERVICES UNDER THE APPLICABLE SOW DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE ACT OR OMISSION GIVING RISE TO ANY SUCH LIABILITY, AND (B) TWO MILLION DOLLARS (\$2,000,000).

5.2. Exclusions. The limitations and caps on liability in this Section (Limitation of Liability) shall not apply to: (a) any loss covered by insurance that a Party is required to have under this Agreement (including losses which would have been covered by such insurance, but for a Party's failure to have the required insurance coverage); (b) breaches by County of its obligations under Section (Restriction on County's Use), above; (c) amounts owed by County under this Agreement (e.g., Fees, Reimbursed Costs), and profits Contractor would have earned but for a breach of this Agreement by County, and (d) damages that cannot be disclaimed or limited as a matter of law.

6. SURVIVAL. Any terms of this Agreement that would, by their nature, survive the termination or expiration of this Agreement shall so survive.

7. CHANGE ORDER PROCEDURE. Contractor is under no obligation to provide services, expand hours of service, add Personnel, programs or other resources to County that are outside the scope of any signed SOW ("**Out of Scope**"). Either Party may request changes to an existing SOW, at any time, by providing written notice to the other Party. Absent the execution of an Amendment, the Parties shall fulfill their obligations under this Agreement without change.

Appendix 1

Defined Terms

“340B Covered Entity” or **“340B Covered Entities”** means, as applicable, one or more of County and/or a County Affiliate that is participating in County’s 340B Program as identified on Exhibit D to the Agreement.

“340B Program” means County’s program for participating in the pricing program authorized by the 340B Statute.

“340B Statute” means Section 340B of the Public Health Service Act, as amended and codified at 42 U.S.C. § 256b.

“Affiliate” means, with respect to each Party, any individual or entity (e.g., a corporation, LLC, etc.) that, at the applicable time, directly or indirectly controls, is controlled with or by or is under common control with a Party.

“Aggregation License” means a perpetual, unrestricted, worldwide, royalty-free, multi-site, enterprise-wide, irrevocable, non-exclusive right and license to Contractor, permitting Contractor to copy, use, modify, disclose and sub-license all information, ideas, data or other property subject to this license (and all IP related thereto) for purposes of Contractor’s and its Affiliates’ internal analysis and its/their other business purposes to the same extent as if Contractor were the sole owner thereof and without an obligation to account to County; provided that Contractor will not disclose to third parties (except Contractor Personnel acting on behalf of Contractor) information subject to an Aggregation License unless such property qualifies as De-Identified Non-Regulated Information.

“County Data” means any of County or its Affiliates’ confidential data (including Personal Information and PHI) or other proprietary information, including Purchasing Data, that Contractor or Contractor Personnel have access to in the performance of Contractor’s obligations under this Agreement (including such data of County and its Affiliates that is created, generated, collected or processed by Contractor as part of the Services), including derivatives of foregoing.

“County IP” means the IP (including County Provided Systems) that County or its Affiliates own or license, including derivatives of the foregoing.

“County Provided Systems” means all County Systems that Contractor is entitled to access under this Agreement (e.g., County’s electronic medical record system).

“County Systems” means all Systems owned, licensed or otherwise obtained by County; including all County Provided Systems and Systems that are only used internally by County Personnel (e.g., County’s human resource Systems).

“Confidential Information” means a Party and its Affiliates’ financial data, requests for proposals, project plans, IT strategies, forecasts, operational processes and procedures, business methods, Systems (including all documentation, code and specifications), products, processes, inventions, methods, trade secrets, information (including Personal Information and PHI) as to vendors, employees, patients and customers, pricing information, or other confidential data, and such other information that the Receiving Party is aware that the Disclosing Party treats as confidential or proprietary. County’s “Confidential Information” includes County Data. Contractor’s Confidential Information includes Contractor Content.

“Connectivity Standards” means all applicable standards under HIPAA and other Applicable Laws for the transmission of PHI between two (2) Systems, as they may be updated from time to time, including,

unless otherwise agreed to by the Parties in writing, meeting the Health Level 7 standards, including all those adopted by U.S. Department of Health and Human Services, from time to time.

“Contract Year” means, for each SOW, the first twelve (12) months commencing on the later of the SOW’s effective date or the Go-Live Date, if any, set forth in such SOW (the “1st Contract Year”) and each consecutive twelve-month period thereafter (e.g., the “2nd Contract Year”, the “3rd Contract Year”).

“Contractor IP” means (a) any pre-existing IP that Contractor or its Affiliates created, owned or licensed prior to Contractor’s retention by County, (b) all Work Products and De-Identified Non-Regulated Information (c) any other IP that Contractor or its Affiliates develop without using or referencing County’s IP or County’s Confidential Information, (d) any IP developed by Contractor or its Affiliates in the course of providing Services to its/their other clients, and (e) any IP Contractor and its Affiliates license from a third-party.

“Contractor Systems” means all Systems owned, licensed or otherwise obtained by Contractor.

“De-Identified Non-Regulated Information” means any all information, ideas, data or other property (and all related IP) provide by or on behalf of County (other than Personal Information and PHI) from which Contractor has removed any reference to County, its vendors, and its Personnel.

“Deliverables” means only those materials which Contractor is obligated to create or modify under a SOW and that is identified as a “Deliverable” in a given SOW; provided that Contractor Confidential Information and Contractor IP shall never be deemed to be Deliverables.

“Go-Live Date” has the meaning, if any, set forth in the applicable SOW.

“HIPAA” means collectively, the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191 and the Health Information Technology for Economic and Clinical Health Act of 2009 (Title XIII of the American Recovery and Reinvestment Act of 2009, Public Law 111-005), and their related regulations (45 CFR Parts 160, 162, and 164)), as each are amended from time to time.

“IP” means any patents applications, trademarks, service marks, copyrights (and applications for each of the foregoing), tradenames, trade dress, know-how, processes, methods, designs, industrial design rights, mask works, trade secrets, moral rights, inventions and technology (whether or not patentable), Confidential Information and other proprietary information, domain names, software, databases and other collections and compilations of data, rights of publicity and privacy, and other intellectual property to which rights are conferred by contract or by any Applicable Law.

“Medical Staff” means County’s licensed medical professionals (e.g., physicians, nurses, therapists).

“Merchandise” means products, other than Pharmaceutical Products, which are purchased for sale at County’s 340B Covered Entities.

“Personal Information” means personally identifiable information and other information of individuals that is protected under Applicable Law (e.g., the California Consumer Privacy Act); but does not include PHI to the extent such information is solely protected under HIPAA.

“Personnel” means the directors, officers, employees, partners, agents, advisers, suppliers, independent contractors, and subcontractors of a Party and its Affiliates or of another entity, as applicable, provided that the Personnel of Contractor and its Affiliates shall not be deemed to be Personnel of County.

“Pharmaceutical Product(s)” means all drugs, biologics and other pharmaceuticals. all devices (e.g., nebulizers, hip replacements), durable medical equipment (e.g., walkers, canes), and supplies (e.g., syringes, intravenous tubing) used in connection therewith or in connection with any Services that Contractor provides.

“**PHI**” means the “protected health information” (as that term is defined by HIPAA) but is limited to such information that Contractor creates, receives, stores, maintains, processes or transmits on behalf of County in connection with Contractor’s provision of Services in accordance with this Agreement.

“**Purchasing Data**” means all purchasing information (e.g., quantities, prices, discounts) related to Pharmaceutical Products, Merchandise and other purchases made by or on behalf of County and its Affiliates.

“**Required Consents**” means any consents, HIPAA Authorizations (as defined in HIPAA) or other permissions, approvals or agreement required for a Party, its Affiliates and its/their Personnel, to (as permitted herein): receive, use, copy, modify, disclose or interface any Contractor Provided System, County Provided System, any other System, any IP, any Confidential Information, including Purchasing Data, PHI and Personal Information, or other applicable property of the other Party or its Affiliates in connection with this Agreement.

“**Shared Resources**” means Contractor Personnel that provide services, remotely and/or on site, to multiple Contractor clients.

“**System**” means any hardware, software, electronic data storage system, algorithms, voice or data circuit, telephony system (e.g., an interactive voice response unit), other network components and resources, and all other electronic or information technology systems. The term System includes pharmacy specific equipment, such as automated pill dispensers, etc.

“**Work Products**” means all ideas, concepts, works, inventions, information, data, software and other materials which Contractor delivers (or is obligated to delivered), and which is conceived, originated, prepared, and/or generated a SOW; provided that the following shall never be deemed to be Work Products (even if it is embedded therein): (a) County Provided Systems and; (b) County Confidential Information and Contractor Confidential Information, (c) Contractor IP and County IP, and (d) Personal Information and PHI of either Party’s Personnel and (e) PHI of County’s patients.

End of Exhibit A

EXHIBIT B

ADVISORY STATEMENT OF WORK #2

Remote 340B Monitoring

1. GENERAL.

1.1. **Introduction.** This Advisory Statement of Work #2 (this “SOW”) is entered into by and between the County of Monterey, a political subdivision of the State of California (“County”), as of February 1, 2024 but only as to the specific 340B Covered Entities set forth on **Exhibit D** to the Agreement and **CPS Solutions, LLC** (“Contractor”) on behalf of itself and for the benefit of its Affiliates, pursuant to that certain Standard Agreement dated February 1, 2024 (as amended, the “Agreement”) between Contractor and County. This SOW will commence upon the completion of the Services set forth in that certain SOW #1 (Continuous Readiness Program) to the Agreement (the “SOW Effective Date”).

1.2. **Definitions.** Capitalized terms that are used herein, but not defined in this SOW or the Appendices to the SOW shall have the meaning ascribed to them in the Agreement. Terms used herein but not defined herein or elsewhere in the Agreement will have the meaning ascribed to them in the 340B Statute and related guidance issued by the Health Resources and Services Administration (“HRSA”).

1.3. **Agreement.** This SOW is governed by the terms and conditions of the Agreement (which is incorporated herein by this reference), as modified or supplemented herein. The terms of this SOW, unless expressly contrary to the Agreement, shall be deemed to supplement (rather than replace) similar provisions in the Agreement.

1.4. **Exhibits.** This SOW incorporates by reference **Exhibit A (Other Provisions)** and **Exhibit D (340B Covered Entities)** to the Agreement.

2. TERM OF SOW.

The term of this SOW commences on the SOW Effective Date and shall continue for a period of three (3) years.

3. SCOPE OF SOW.

3.1. **Overview.** Contractor will provide advisory services on a remote (non-on site basis) to County regarding County’s 340B Program implemented under the federal 340B Statute, as set forth below (the “Project Services”). Project Services consist of remote monitoring and self-auditing of the key components of County’s 340B Program set forth below throughout each Contract Year for compliance purposes as specifically set forth below for each of the 340B Covered Entities.

3.2. **340B Covered Entities.** The Project Services are only for the County’s clinic and grantee site 340B Covered Entities set forth on **Exhibit D** to the Agreement, and third party pharmacies retained by one or more of the 340B Covered Entities in connection with their 340B Program (each a “Contract Pharmacy”); but in the case of Contract Pharmacies only as specifically set forth in this SOW.

3.3. **340B Program Compliance.** County retains full responsibility for ensuring that County’s 340B Program is compliant with County’s Policy and Procedure Manual and all Applicable Laws. County agrees that Contractor shall have no liability for: (a) any failure by County to comply with the foregoing

requirements, nor (b) any failure by Contractor to detect such non-compliance provided that Contractor is otherwise in compliance with its obligations herein; in each such case, including any liability County may incur for amounts County may be obligated to make to a manufacturer or Medicaid due to an audit finding (e.g., by HRSA, external or internal auditors), nor any adverse consequences that may result from such non-compliance (e.g., termination of any contract pharmacies from the County's 340B Program or any termination of County's 340B Program).

4. SERVICES PROVIDED BY CONTRACTOR UNDER THIS SOW.

4.1. Review. Contractor's Shared Resources will perform the following tasks in connection with County's review and self-monitoring of County's 340B Program; provided that County provides Contractor with timely access to the relevant data and contracts. The Project Services will consist of:

4.1.1. 340B Covered Entities Pharmacy Transactions. During each month of the Term, Contractor will:

- a. Review thirty (30) 340B Program qualified administration/dispensations Targeted Transactions (as defined below) from each of the 340B Covered Entities per month for diversion, duplicate discount, and accuracy of accumulations; and
- b. Review a random sample (approximately five (5) per clean site) of 340B Program qualified administrations to compare utilization with purchasing record.

"Targeted Transactions" means that Contractor selects transactions for review based on a targeted sample which is focused on testing of transactions which are most commonly identified as non-compliant by Contractor or where non-compliance may cause the need for significant manufacturer repayment. Targeted Transactions may include high-cost drugs, low-volume prescribers, drugs administered in procedural areas or clinics, "bulk" or multiple dose packages, and where Medicaid is the payer. Additional random claims may also be included.

4.1.2. Contract Pharmacy Transactions. During each month of the Term, Contractor will:

- a. Review a total of thirty (30) 340B Program qualified dispensations Targeted Transactions from County's Contract Pharmacies (on an aggregate basis), per month for diversion, duplicate discount, and accuracy of accumulations.
- b. Review at least one detailed invoice from each Contract Pharmacy to confirm dispense fees match those in the County's agreement with such Contract Pharmacy; provided that the total number of invoices reviewed per month shall not exceed ten (10).
- c. If County makes the data and access to its third-party administrator(s) ("**TPA(s)**") available to Contractor on a timely basis, Contractor will review fallout data (non-qualified 340B Program claims) to confirm qualification settings/filters within County's TPA(s) are accurate.

4.1.3. Medicaid Review. County acknowledges that a number of its 340B Covered Entities carve-in Medicaid to its 340B Program.

- a. During each month of the Term, Contractor will review (approximately five) County submitted Medicaid fee-for-service (“**Medicaid FFS**”) claims to: (i) verify inclusion of state-required modifiers, (ii) to identify mapping errors where the description does not match the listed national drug code (“**NDC**”) or the NDC is missing, and (iii) verify correct national provider identifier (“**NPI**”) for Medicaid for both in-state and out-of-state claims where applicable. County acknowledges that Contractor is not responsible for verifying that the pricing submitted with such claims is compliant with Applicable Law (e.g., State Actual Acquisition Cost billing requirements)
- b. During each quarter of the Term, Contractor will review the HRSA Medicaid Exclusion File (“**MEF**”) for listing of appropriate NPIs and MPNs carve-in/carve-out elections.

4.1.4. Purchasing Review.

a. During each month of the Term, Contractor will review all of County’s Pharmaceutical Product purchases during the prior month for its 340B Program to identify:

- (i) any non-covered outpatient drugs, including supplies and orphan drugs where applicable; and
- (ii) Direct purchases (not from County’s wholesaler) to confirm that such purchases have been accounted for in County’s 340B Program accumulator.

b. If County provides Contractor with timely access to County’s pricing reports from the 340B Office of Pharmacy Affairs Information System (“**OPAIS**”) and/or HRSA’s designated prime vendor (e.g., Apexus), then during each quarter of the Term, then Contractor will review a sample (5-10 Pharmaceutical Product(s) per quarter) of each of the 340B Covered Entities’ Pharmaceutical Product purchases (during the prior month for its 340B Program to confirm that the purchase price for such Pharmaceutical Product does not exceed the ceiling price listed on the above pricing reports.

4.1.5. Quarterly OPAIS review. If County provides Contractor with timely access to County’s pricing reports from OPAIS, Contractor will perform a quarterly review of OPAIS data to confirm the following information against the information provided by County for each of the 340B Covered Entities:

- a. The authorizing official and primary contact
- b. The Contract Pharmacy and entity-owned pharmacy shipping addresses.

4.1.6. Accumulator. For each 340B Covered Entity’s 340B Program accumulator, Contractor will:

a. **Monthly.** Monthly review positive and negative accumulations within County’s accumulator to try to identify errors in accumulations and research the source of such accumulations.

b. **Weekly.** Weekly review each 340B Covered Entity's charge description master to identify mapping errors where the description does not match the listed NDC or the NDC is missing.

4.1.7. **Providers.** Monthly review each 340B Covered Entity's 340B Program eligible provider list for changes, based upon updates provided by County's Medical Staff credentialing office.

4.1.8. **340B Oversight Committee Meetings.** Contractor will remotely attend quarterly meetings of County's Oversight Committee to provide updates on Contractor compliance related review findings and answer questions.

4.1.9. **340B Program Software.**

a. Join meetings/calls with County's other 340B Program related vendors, such as TPA/Split Billing Software vendor(s) as requested.

b. Manage submission of tickets to County's 340B Program software vendors and assist with management of County's relationship with its 340B Program software vendors; and

c. Generate reports, upon County's written request, from County's 340B Program software (which is a County Provided System).

4.1.10. **Other Contractor Responsibilities.** Upon request, Contractor will:

a. Provide guidance for the annual recertification process;

b. Provide guidance to County Personnel on how to develop and maintain a clinical service area crosswalk for County's 340B Program;

c. Subject to the terms and condition so the Agreement, provide guidance to County related to revisions to County's Policy and Procedure Manual;

d. In the event the County receives notice of a HRSA 340B Program audit, Contractor will provide guidance for the collection and submission of data, attend the pre-audit call with the HRSA auditor, and attend the audit remotely or onsite (with County paying for Contractor's travel expenses as Reimbursed Costs (as defined below); and

e. Provide guidance in the development of a corrective action plan, if required, following a HRSA audit.

4.2. **Review Personnel.** Contractor Services will be performed by a Contractor consultant and analyst (the "**Contractor Review Team**"). County's Personnel, including its 340B Program Personnel and other Personnel shall fully co-operate with the Contractor Review Team and assist with the Services.

4.3. **Information Exchange.**

4.3.1. County will, upon Contractor's reasonable request, provide certain documentation and data to Contractor prior to the on-site visit in order to make the visit more efficient. Contractor

will submit the data request to County prior to the visit. County may elect to provide additional information to Contractor in advance of the visit.

4.3.2. County shall make available to the Contractor Review Team information and documents required for Contractor to conduct the Review.

4.4. **Deliverables.** Contractor will provide to the County Personnel identified by County access to Contractor's monthly written summary for each of the 340B Covered Entities of all compliance tasks reviewed, including findings and recommendations.

5. COUNTY RESPONSIBILITIES.

5.1. **County Contacts.** County shall designate (and provide to Contractor with contact information for) an on-site primary contact from the following County areas:

5.1.1. 340B Team or Pharmacy Team;

5.1.2. Medical Staff Credentialing;

5.1.3. Billing Department; and

5.1.4. Information Technology.

5.2. **Information Exchange.** County shall make promptly available to the Contractor Review Team:

5.2.1. Access to the portions of County's Policy and Procedure Manual that are relevant to County's 340B Program;

5.2.2. Copies of County's agreements with all of its Contract Pharmac(ies); and

5.2.3. Any other information and documents required for Contractor to perform the Services upon Contractor's request.

5.3. **County Provided Systems.** County shall provide to Contractor (as a County Provided System) a remote access connection to all relevant County Systems via a secure remote connection (utilizing a VPN acceptable to Contractor) including County's:

5.3.1. Electronic Medical Record (read only access);

5.3.2. County's Third-Party Administrator's Systems (including access to run reports);

5.3.3. Wholesaler accounts (including access to run reports);

5.3.4. County's Pharmacy application, if applicable (if separate from EMR); and

5.3.5. Other software applications that Contractor needs to complete its Services.

5.4. **Inter-Connection.** In addition, if requested by Contractor, County shall permit, and County shall cooperate with Contractor in establishing, a network connection between County's computer Systems and Contractor's Systems that meets or exceeds the Connectivity Standards. Except for

Reimbursed Personnel time, each Party shall bear its own costs and expenses in establishing and maintaining such connection.

6. **COMPENSATION.**

6.1. **Project Fee.** County shall pay Contractor the following fees for the Project Services under this SOW (each a “Project Fee”).

<u>Project Fee</u>	<u>Monthly Rate:</u>	<u>Annual NTE:</u>
SOW Year 1	\$6,400	\$76,800.00
SOW Year 2	\$6,400	\$76,800.00
SOW Year 3	\$6,400	\$76,800.00

6.2. **Reimbursed Costs.** In addition to the Project Fee, County will reimburse Contractor for all reasonable travel and living expenses (“**Reimbursed Costs**”) of the Contractor Review Team for all agreed upon travel. Contractor’s travel expenses shall be subject to the County of Monterey’s Travel Policy. A copy of the policy is available online at <https://www.co.monterey.ca.us/home/showpublisheddocument/69364/636728660019670000>. Prior to such reimbursement, Contractor must provide a detailed breakdown of the authorized expenses, identifying what was expended and when, and County must approve in writing all agreed upon travel. Travel expenses under this SOW shall not exceed \$5,000.

6.3. **Project Billing.** Commencing fourteen (14) days after the SOW Effective Date, and then on the first of each calendar month thereafter during the term of the Agreement, Contractor will invoice County for one-twelfth (1/12) of the Project Fee (the Monthly Rate) for such Contract Year. In addition, Contractor will invoice County monthly for all Reimbursed Costs.

6.4. **Invoices.** Contractor shall submit invoices to the mail or e-mail address listed below (or such replacement address as County may designate in writing), along with appropriate supporting documentation of any Reimbursed Costs:

Mail delivery:

Monterey County Health Department
Clinic Services Bureau
1441 Schilling Place – 1st Floor
Salinas, CA 93901
Attn: ACCOUNTING

Email delivery:

CS_Finance@co.monterey.ca.us

County shall pay each invoice pursuant to Section 6 of the Agreement.

7. **ADDITIONAL ITEMS.**

7.1. **Out of Scope Services.** For clarity, the Parties note that the following Services are Out of Scope of this SOW:

7.1.1. Training for County Personnel;

7.1.2. Developing the meeting agenda or content for County’s 340B Program Oversight Committee meetings; and

7.1.3. Other consulting engagements for services not covered in this SOW.

End of Exhibit B

EXHIBIT C

ADVISORY STATEMENT OF WORK #1

340B Continuous Readiness Program

1. GENERAL.

1.1. **Introduction.** This Advisory Statement of Work #1 (this “SOW”) is entered into by and between the County of Monterey, a political subdivision of the State of California (“County”), on behalf of itself and for the benefit of its Affiliates, but only as to the specific 340B Covered Entities set forth on **Exhibit D** to the Agreement and CPS Solutions, LLC (“Contractor”) on behalf of itself and for the benefit of its Affiliates, as of February 1, 2024 (the “SOW Effective Date”), pursuant to that certain Standard Agreement dated February 1, 2024 (the “Agreement”) between Contractor and County.

1.2. **Definitions.** Capitalized terms that are used herein, but not defined in this SOW shall have the meaning ascribed to them in this Exhibit C or elsewhere in the Agreement. Additional capitalized terms are defined in this SOW and the Appendices to this SOW.

1.3. **Agreement.** This SOW is governed by the terms and conditions of the Agreement (which is incorporated herein by this reference), as modified or supplemented herein. The terms of this SOW, unless expressly contrary to the Agreement, shall be deemed to supplement (rather than replace) similar provisions in the Agreement.

1.4. **Exhibits.** This SOW incorporates by reference **Exhibit A (Other Provisions)** and **Exhibit D (340B Covered Entities)** to the Agreement.

2. TERM OF SOW.

The term of this SOW commences on the SOW Effective Date and shall continue for a period of one (1) year.

3. SCOPE OF SOW.

3.1. **Overview.** Contractor will provide advisory services to County regarding County’s 340B Program implemented under the federal 340B Statute, as set forth below (the “Project Services”). Project Services includes evaluation of County’s 340B Program, guidance, and ongoing support for each Covered Entity to perform routine monitoring and self-auditing of key components of County’s 340B Program throughout the Contract Year.

3.2. **340B Covered Entities.** The Project Services are only for the 340B Covered Entities set forth on **Exhibit D** to the Agreement (340B Covered Entities).

4. SERVICES PROVIDED BY CONTRACTOR UNDER THIS SOW.

4.1. **Review.** Once per Contract Year, Contractor will conduct the assessment/review described below (the “Review”) of the County’s 340B Program for the 340B Covered Entities set forth on **Exhibit D**

to the Agreement. The Review will consist of Contractor assessing County's applicable processes, procedures, and Systems in the following key focus areas:

4.1.1. Evaluating accuracy of Covered Entity's and its "grantee sites", registration in the Office of Pharmacy Affairs Information System's database;

4.1.2. Evaluating County's existing 340B Program policies and procedures, as set forth in the County's Policy and Procedure Manual;

4.1.3. Evaluating existing contract pharmacy service agreements;

4.1.4. Confirming that County maintains auditable records;

4.1.5. Evaluating an appropriate number of transactions* for each of the data elements identified below:

- a. Eligible patient;
- b. Eligible provider;
- c. Eligible location;
- d. Accuracy of accumulations; and
- e. Prevention of duplicate discounts as defined by state Medicaid rules.**.

*Contractor selects transactions for auditing based on a targeted sample which is focused on testing of transactions which are most commonly identified as non-compliant by the Contractor consulting team or where non-compliance may cause the need for significant manufacturer repayment. Targeted transactions may include high-cost drugs, prescribers who write a low volume of orders or prescriptions, drugs administered in procedural areas and clinics, "bulk" or multiple dose containers, and when Medicaid is the payer. Additional random transactions are also included.

**Contractor will review a random selection of fee for service Medicaid claims for inclusion of the NPI on the claim and in the Medicaid Exclusion File ("MEF"), as well as inclusion of any state required modifiers. Contractor does not review the accuracy of the pricing submitted with fee for service Medicaid claims. Contractor also does not review Medicaid managed care claims.

While the Covered Entity may submit multiple universes of data for evaluation, Contractor selects a percentage from each of the submitted universes and combines the selected transactions into two universes; mixed use and pure use areas in one, and clinic grantee outpatient pharmacies and non-network contract pharmacies in the other.

4.1.6. Evaluating County's purchasing process for compliance and optimization opportunities including:

- a. County's purchase through any group purchasing organization;
- b. County's 340B Program purchases;
- c. County's wholesale acquisition cost purchases (if applicable); and

d. County's purchases under the Federal Orphan Drug program (if applicable).

4.1.7. Evaluate processes in place to prevent diversion to ineligible patients and duplicate discounts;

4.1.8. Evaluating County's applicable processes, procedures, and Systems used for 340B Program monitoring and oversight; and

4.1.9. Evaluating County's applicable processes, procedures, and Systems used to educate County's Personnel with respect to such individual's role within the 340B Program.

4.2. **On-Going Services.** During each Contract Year, Contractor shall:

4.2.1. Answer County questions regarding the Health Resource and Services Administration ("HRSA") audits of County's 340B Program;

4.2.2. As part of quarterly meetings with County, respond to County's Personnel's questions and issues; which response may include providing ongoing education (e.g., information on HRSA updates), guidance and consultative services to assist the 340B Covered Entities, as they develop and implement corrective actions; and

4.2.3. In the event of a HRSA or manufacturer's audit of County's 340B Program, Contractor will, upon the Covered Entity's request:

a. Attend the HRSA welcome/pre-site visit call;

b. Answer questions regarding the HRSA data request item list;

c. Review contract pharmacy services agreements and the County's Policy and Procedure Manual;

d. Review the Covered Entity's transaction dataset prior to submission to HRSA for ineligible providers and locations (if provided in data set) and potential duplicate discounts;

e. Attend the onsite HRSA audit (or remote HRSA audit, if applicable) to provide support as requested by the Covered Entity; and

f. If the Covered Entity does not have Contractor attend the onsite audit; the Covered Entity may call a Contractor 340B team member to discuss questions that came up during the onsite audit.

4.3. **Review Personnel.** The Review will be performed by Contractor's consultant and analyst team (the "**Contractor Review Team**"). County's Personnel, including its 340B Program Personnel and other Personnel shall fully co-operate with the Contractor Review Team and assist with the Review.

4.4. **Information Exchange.**

4.4.1. County will, upon Contractor’s reasonable request, provide certain documentation and data to Contractor prior to the on-site visit in order to make the visit more efficient. Contractor will submit the data request to County prior to the visit. County may elect to provide additional information to Contractor in advance of the visit.

4.4.2. County shall make available to Contractor’s Review Team information and documents required for Contractor to conduct the Review.

4.5. **Deliverables.** Upon completion of the Review, Contractor will:

4.5.1. Compile the information from the on-site assessments/reviews with information provided by the County to develop a written action item report (the “**Report**”) to County detailing findings and recommendations. The Report will incorporate recommendations for corrective actions which include best practices and changes based upon Contractor’s internal templates and other precedence, to the extent applicable and available;

4.5.2. Develop a corrective action planning document to track County Personnel’s progress in addressing the suggested corrective actions;

4.5.3. Deliver its Report via a secured email delivery method to the County’s: (a) OPAIS 340B Authorizing Official, and (b) OPAIS 340B Point of Contact. Within ten (10) days of the SOW Effective Date, the County will provide CPS with the names and email addresses of such County Personnel and County will notify CPS in writing of any changes in such Personnel (and provide any new or revised email addresses); and

4.5.4. At the request of County, Contractor will host conference a call or web meeting within four (4) weeks of the delivery of its Report to review Contractor’s findings and answer questions.

5. **COMPENSATION.**

5.1. **Project Fee.** County shall pay Contractor the following fees for the Project Services under this SOW (each a “**Project Fee**”).

<u>Project Fee</u>	<u>Monthly Rate:</u>	<u>Annual Cost:</u>
SOW Year 1	\$1,600.84	\$19,210.00

5.2. **Reimbursed Costs.** In addition to the Project Fee, County will reimburse Contractor for all reasonable travel and living expenses (“**Reimbursed Costs**”) of the Contractor Review Team for all agreed upon travel. Contractor’s travel expenses shall be subject to the County of Monterey’s Travel Policy. A copy of the policy is available online at <https://www.co.monterey.ca.us/home/showpublisheddocument/69364/636728660019670000>. Prior to such reimbursement, Contractor must provide a detailed breakdown of the authorized expenses, identifying what was expended and when and County must approve in writing all agreed upon travel. Travel expenses under this SOW shall not exceed \$5,000.

5.3. **Project Billing.** Commencing fourteen (14) days after the SOW Effective Date, and then on the first of each calendar month thereafter during the term of the Agreement, Contractor will invoice County for one-twelfth (1/12) of the Project Fee (the Monthly Rate) for such Contract Year. In addition, Contractor will invoice County monthly for all Reimbursed Costs.

5.4. **Invoices.** Contractor shall submit invoices to the mail or e-mail address listed below (or such replacement address as County may designate in writing); along with appropriate supporting documentation of any Reimbursed Costs:

Mail delivery:
Monterey County Health Department
Clinic Services Bureau
1441 Schilling Place – 1st Floor
Salinas, CA 93901
Attn: ACCOUNTING

Email delivery:
CS_Finance@co.monterey.ca.us

County shall pay each invoice pursuant to Section 6 of the Agreement.

6. **ADDITIONAL ITEMS.**

6.1. **Out of Scope Services.** For clarity, the Parties note that the following Services are Out of Scope of this SOW:

6.1.1. Other consulting engagements for services not covered in this SOW.

End of Exhibit C

EXHIBIT D**340B Covered Entities**

340B Drug Pricing Program ID	Name of Covered Entity/Grantee Site	Street Address
CHC33795-00	County of Monterey – Laurel Pediatric Clinic	1441 Constitution Blvd. Bldg. 200, Suite 101 Salinas, CA 93906-3100
CHC33795-01	Monterey County Clinic at Marina	3155 De Forest Road Marina, CA 93933-2702
CHC33795-02	County of Monterey – Laurel Vista	1441 Constitution Blvd. Bldg. 400, Suite 301 Salinas, CA 93906-3134
CHC33795-03	County of Monterey – Laurel Internal Medicine Clinic	1441 Constitution Blvd. Bldg. 151, Suite 16 Salinas, CA 93906-3100
CHC33795-04	County of Monterey – Integrated Health Clinic	299 12th Street Marina, CA 93933-6003
CHC33795-05	County of Monterey – Laurel Family Practice	1441 Constitution Blvd. Bldg. 400, Suite 300 Salinas, CA 93906-3134
CHC33795-06	Alisal Health Center	559 E. Alisal Street Suite 201 Salinas, CA 93905
CHC33795-07	County of Monterey – Seaside Family Health Center	1156 Fremont Blvd. Seaside, CA 93955-5715
CHC33795-08	Bienestar	1441 Constitution Blvd. Bldg. 400, Suite 201 Salinas, CA 93906-3100
CHC33795-09	County of Monterey - NIDO	1441 Constitution Blvd. Bldg. 760 Salinas, CA 93906-3100

End of Exhibit D

Exhibit E

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“BAA”) effective as of the effective date of this Agreement (“Effective Date”) is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department (“Covered Entity”) and CPS Solutions, LLC (“Business Associate”) (each a “Party” and collectively the “Parties”).

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the “Use and Disclosure” of “Protected Health Information” (“PHI”), as such terms are defined in “HIPAA” (which is defined below) that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the “HITECH Act”), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the “Privacy Rule”), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the “Breach Notification Rule”), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the “Security Rule”) (collectively “HIPAA”), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 (“Red Flag Rules”).

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information (as such term is defined in HIPAA, “E PHI”) shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall: (i) only apply to PHI and EPHI (as further defined below), and (ii) shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information ("PII"), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29); but only to the extent that they are not superseded by HIPAA.

(c) "Personnel" means the directors, managers, officers, employees, partners, agents, advisers, and Subcontractors of a Party, or other applicable entity, provided that the Personnel of Business Associate shall not be deemed to be Personnel of Covered Entity.

(d) "PII" for purposes of this BAA is limited to PII that is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf.

(e) "Protected Health Information" or "PHI" for purposes of this BAA is limited to PHI that is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf.

(f) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement)" between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

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

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident regarding a system that stores or transmits PHI (including EPHI) of which Business Associate becomes aware; and (iii) any suspected Breach of the PHI (including EPHI) of which Business Associate becomes aware. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident of any information system provided by Business Associate (or its Subcontractors) that stores or transmits PHI (each a "BA System"), or unauthorized access, acquisition, Use, or

Disclosure of PHI, or suspected Breach of a that it discovers and that involves Business Associates' Personnel or such BA System and shall provide a summary of such investigation to Covered Entity, upon request.

(i) If Business Associate or Covered Entity determines that such Security Incident involving a BA System or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach of a BA System constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during such Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of such Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure of PHI, or such Security Incident of a BA System, or Breach of PHI;

(iii) Unless otherwise required by any applicable laws, regulations, ordinances, or court or administrative orders or decrees of any federal, state, local or other governmental unit applicable to Business Associates' Use or Disclosure of PHI (each an "**Applicable Law**"), Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by Applicable Law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by Applicable Laws relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach;

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry standard practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) At Covered Entity's sole cost and expense: (a) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") promptly after the Secretary's request in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA, (b) if permitted to do so under Applicable Law, promptly notify Covered Entity of any such requests by the Secretary, and (c) upon Covered Entity's reasonable written request, promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI that are reasonably required for purposes of determining whether Business Associate has complied with this BAA, including its obligations here regarding maintaining adequate security safeguards. The fact that Covered Entity has the right to inspect, inspect, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) business days of receiving a written request from Covered Entity, provide to Covered Entity at Covered Entity's sole cost and expense such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) business days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within 90 business days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set by Business Associate:

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

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

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) business days after the Business Associate's receipt of any request or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

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

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws that apply to the Services provided by Business Associate to Covered Entity, but only to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage at <https://www.co.monterey.ca.us/government/departments-a-h/health/general/privacy-and-confidentially-of-the-residents-we-serve>. Covered Entity shall notify Business Associate in writing of any changes to the Notice of Privacy Practices. Any changes in the Covered Entity's privacy practices that would affect Business Associate's Services shall be treated as a request for a change order.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI. Notwithstanding anything to the contrary in any other agreement with the Covered Entity, Business Associate may limit its Services to the next necessary to comply with any such change in authorization regarding the Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any suspend Covered Entities provision of Services under any Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if such breach is not cured within such thirty (30) day period.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its

Subcontractors (or shall receive a certification from its Subcontractors that such PHI has been deleted). Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If the return or destruction of the PHI is infeasible, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

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

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

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

If to Business Associate, to:

CPS Solutions LLC
Attn: D. Michelle Kinneer
SVP, Chief Compliance Officer
655 Metro Place South, Suite 450
Dublin, OH 43017

1-833-450-4229
Cps.privacy@cps.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Email: sumeshwarSD@co.monterey.ca.us

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

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

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws (as to PII), or a Breach of PHI that is directly attributable to an act or omission of Business Associate or its Personnel in violation of this BAA, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of County (including the Covered Entity) or the County's Personnel (including those of the Covered Entity). It is the intent of the Parties to provide the broadest possible indemnification for the County that is consistent with the express provisions of this Section 5.8. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.10 Applicability of Terms. This BAA applies to all PHI (including EPHI) in connection with all present and future Services Agreements and business associate

relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control as to PHI unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability, with limits of not less than \$5,000,000 per claim and in the aggregate. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than ten (10) business days after notice thereof, each Party shall advise the other Party of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that alleges a Security Incident of any BA System, or unauthorized access, acquisition, Use, or Disclosure of PHI, or a suspected Breach of PHI, or a breach of this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by Applicable Law. This includes, without limitation, any allegation that a Party has, in regard to PHI violated: (a) HIPAA, or (b) other Applicable Laws.

5.12 Audit or Investigations. Promptly, but no later than ten (10) business days after notice thereof, each Party shall advise the other Party of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance by either Party with HIPAA or the California Confidentiality Laws in connection with PHI or PII; provided that the Covered Entity does not need to inform CPS of any audit, review or complaint that is unrelated to the Services CPS is providing.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law,

except where Business Associate or its Subcontractor, employee, or agent- is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

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

BUSINESS ASSOCIATE

COVERED ENTITY

CPS Solutions, LLC

By:  _____
Frank Segrave (Nov 16, 2023 20:16 EST)

By: _____

Print Name Frank Segrave

Print Name: _____

Print Title CEO

Print Title: _____

Date: Nov 16, 2023

Date: _____

CPS Solutions Base SA.v10.25.23

Final Audit Report

2023-11-17

Created:	2023-11-16
By:	Debbie Smith (debbie.smith@cpspharm.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAmGr-zKB_W5hzhL4cV9h3EzomZU9tkpVg

"CPS Solutions Base SA.v10.25.23" History

-  Document created by Debbie Smith (debbie.smith@cpspharm.com)
2023-11-16 - 9:39:35 PM GMT- IP address: 162.155.68.183
-  Document emailed to frank.segrave@cpspharm.com for signature
2023-11-16 - 9:51:35 PM GMT
-  Email viewed by frank.segrave@cpspharm.com
2023-11-16 - 9:51:43 PM GMT- IP address: 52.202.236.132
-  Signer frank.segrave@cpspharm.com entered name at signing as Frank Segrave
2023-11-17 - 1:16:25 AM GMT- IP address: 71.228.70.14
-  Document e-signed by Frank Segrave (frank.segrave@cpspharm.com)
Signature Date: 2023-11-17 - 1:16:27 AM GMT - Time Source: server- IP address: 71.228.70.14
-  Document emailed to benjamin.hansen@cpspharm.com for signature
2023-11-17 - 1:16:29 AM GMT
-  Email viewed by benjamin.hansen@cpspharm.com
2023-11-17 - 1:16:35 AM GMT- IP address: 52.202.236.132
-  Signer benjamin.hansen@cpspharm.com entered name at signing as Ben Hansen
2023-11-17 - 3:07:04 PM GMT- IP address: 73.62.83.78
-  Document e-signed by Ben Hansen (benjamin.hansen@cpspharm.com)
Signature Date: 2023-11-17 - 3:07:06 PM GMT - Time Source: server- IP address: 73.62.83.78
-  Agreement completed.
2023-11-17 - 3:07:06 PM GMT

County of Monterey (CA) CPS Solutions Base SA.v10.25.23 - signed by CPS 11.17.2023

Final Audit Report

2023-11-20

Created:	2023-11-17
By:	Debbie Smith (debbie.smith@cpspharm.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAASvQ3dhoU-CTAI2KVP9PmB9uf-CQV0CYV

"County of Monterey (CA) CPS Solutions Base SA.v10.25.23 - signed by CPS 11.17.2023" History

-  Document created by Debbie Smith (debbie.smith@cpspharm.com)
2023-11-17 - 5:45:08 PM GMT - IP address: 184.54.170.50
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2023-11-17 - 5:47:11 PM GMT
-  Email viewed by frank.segrave@cpspharm.com
2023-11-17 - 5:47:20 PM GMT - IP address: 52.202.236.132
-  Signer frank.segrave@cpspharm.com entered name at signing as Frank Segrave
2023-11-18 - 0:24:55 AM GMT - IP address: 107.127.28.28
-  Document e-signed by Frank Segrave (frank.segrave@cpspharm.com)
Signature Date: 2023-11-18 - 0:24:57 AM GMT - Time Source: server- IP address: 107.127.28.28
-  Document emailed to benjamin.hansen@cpspharm.com for signature
2023-11-18 - 0:24:59 AM GMT
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-  Email viewed by benjamin.hansen@cpspharm.com
2023-11-20 - 8:09:46 PM GMT - IP address: 3.232.50.116
-  Signer benjamin.hansen@cpspharm.com entered name at signing as Ben Hansen
2023-11-20 - 8:49:27 PM GMT - IP address: 174.211.104.91
-  Document e-signed by Ben Hansen (benjamin.hansen@cpspharm.com)
Signature Date: 2023-11-20 - 8:49:29 PM GMT - Time Source: server- IP address: 174.211.104.91



✔ Agreement completed.

2023-11-20 - 8:49:29 PM GMT