

**MONTEREY COUNTY BOARD OF SUPERVISORS**

<b>MEETING:</b>	<b>June 28, 2011</b>	<b>AGENDA NO.:</b>	<b>17</b>
<b>SUBJECT:</b>	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #1 to the Agreement (# A-11709) with Supplemental Health Care Services for Ancillary and Respiratory Registry Staffing Services at NMC in an amount not to exceed \$250,000 in the aggregate and \$125,000 for the period July 1, 2011 to June 30, 2012.		
<b>DEPARTMENT:</b>	Natividad Medical Center		

**RECOMMENDATION:**

It is recommended that the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #1 to the Agreement (# A-11709) with Supplemental Health Care Services for Ancillary and Respiratory Registry Staffing Services at NMC in an amount not to exceed \$250,000 in the aggregate and \$125,000 for the period July 1, 2011 to June 30, 2012.

**SUMMARY/DISCUSSION:**

Natividad Medical Center (NMC) contracts with outside staffing agencies that provide the hospital with Respiratory Therapists, Occupational and Physical Therapists when the hospital is unable to recruit licensed personnel for these positions, and also to cover short term absences of existing staff. The affected departments are also currently working on cross training efforts to provide coverage to support these service lines.

These positions are essential in order for NMC to meet clinical needs, and to comply with regulations as established by The Joint Commission; a regulatory agency that sets standards of care for hospitals and ancillary clinical services. This action will allow NMC to continue to provide appropriate staffing to cover the Cardiopulmonary, and Occupational/Physical Therapy Departments; until the time where permanent replacements are determined.

Actual dollars spent as of June 8, 2011 are \$31,010, out of the \$125,000 budgeted for the period of July 1, 2010 to June 30, 2011. A contingency amount of \$125,000 is based on historic actual usage and needed reserve in order to maintain a method of payment for the period of July 1, 2011 to June 30, 2012.

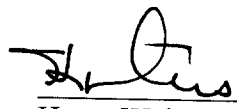
**OTHER AGENCY INVOLVEMENT:**

The Amendment has been reviewed and approved by County Counsel, the Auditor/Controller's office and the Natividad Medical Center Board of Trustees.

**FINANCING:**

The cost for this Amendment is \$125,000 and is included in the 2011/2012 Fiscal Year Recommended Budget. This action will not require any additional General Fund subsidy.

Prepared by:  
John Nevill, Director of Cardiopulmonary 755-4366  
April 4, 2011

  
\_\_\_\_\_  
Harry Weis  
Chief Executive Officer

Attachments: Amendments #1, Original Agreement, Board Order  
Attachments are on file with the Clerk of the Board

**MONTEREY COUNTY BOARD OF SUPERVISORS**

<b>MEETING:</b>	<b>June 8, 2010</b>	<b>AGENDA NO.:</b>
<b>SUBJECT:</b>	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute an Agreement with Supplemental Health Care Services for Temporary Staffing Services at NMC in an amount not to exceed \$125,000 for the period June 1, 2010 to June 30, 2011.	
<b>DEPARTMENT:</b>	Natividad Medical Center	

**RECOMMENDATION:**

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute an Agreement with Supplemental Health Care Services for Temporary Staffing Services at NMC in an amount not to exceed \$125,000 for the period June 1, 2010 to June 30, 2011.

**SUMMARY/DISCUSSION:**

Natividad Medical Center (NMC) contracts with outside staffing agencies that provide the hospital with Respiratory Therapists when the hospital is unable to recruit licensed personnel for these positions, and also to cover short term absences of existing staff. The Cardiopulmonary Department at NMC provides services 24 hours per day, 7 days per week for inpatients and Monday through Friday 8:00 A.M. to 4:30 P.M. for outpatients.

Respiratory Therapists work with the hospital's Physician and Nursing staff to provide diagnostic as well as clinical services to assist Respiratory and Cardiac compromised patients. Services provide include assessment and treatment of adult, pediatric and neonatal patients. Additional hospital departments (Outpatient and Occupational Therapy and Pharmacy) are also included in the Agreement in case of emergency need of licensed and qualified temporary services.

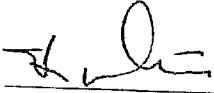
**OTHER AGENCY INVOLVEMENT:**

The Agreement has been reviewed and approved by County Counsel, the Auditor/Controller's office, and the Natividad Medical Center Board of Trustees' Finance Committee.

**FINANCING:**

The cost for this Agreement is \$125,000; \$8,000 is included in the Fiscal Year 2009/2010 Approved Budget and \$117,000 is approved in the Fiscal Year 2010/2011 Recommended Budget. This action will not require any additional General Fund subsidy.

Prepared by:  
John Nevill  
Cardiopulmonary Manager  
May 10, 2010

  
\_\_\_\_\_  
Harry Weis  
Chief Executive Officer

Attachments: Agreement, Board Order

**Before the Board of Supervisors in and for the  
County of Monterey, State of California**

**Agreement No: A – 11709**

Authorize the Purchasing Manager for Natividad )  
Medical Center (NMC) to execute an Agreement with )  
Supplemental Health Care Services for Temporary )  
Staffing Services at NMC in an amount not to exceed )  
\$125,000 for the period June 1, 2010 to June 30, 2011. )

Upon motion of Supervisor Armenta, seconded by Supervisor Parker, and carried by those members present, the Board hereby:

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute an Agreement with Supplemental Health Care Services for Temporary Staffing Services at NMC in an amount not to exceed \$125,000 for the period June 1, 2010 to June 30, 2011.

PASSED AND ADOPTED this 8<sup>th</sup> day of June, 2010, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, Potter  
NOES: None  
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on June 8, 2010.

Dated: June 11, 2010

Gail T. Borkowski, Clerk of the Board of Supervisors  
County of Monterey, State of California

By Pat P  
Deputy

CONFIDENTIAL

**Natividad** MEDICAL CENTER  
**COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES**  
**(MORE THAN \$100,000)**

This Professional Services Agreement (hereinafter "Agreement") is made by and between Natividad Medical Center ("NMC"), a general acute care teaching hospital wholly owned and operated by the County of Monterey, which is a political subdivision of the State of California and **Supplemental Health Care** \_\_\_\_\_ (hereinafter "CONTRACTOR").

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

1. **SERVICES TO BE PROVIDED.** NMC hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of the Agreement. The services are generally described as follows: **Provide Temporary Staffing including but not limited to Therapy (PT, OT, SLP, COTA, PTAs) Radiology, Pharmacy**
2. **PAYMENTS BY NMC.** NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of **\$125,000**
3. **TERMS OF AGREEMENT** The term of this Agreement is from Jun 1, 2010 to Jun 30, 2011 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and NMC and with NMC signing last and CONTRACTOR may not commence work before NMC signs this Agreement.
4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

**5. PERFORMANCE STANDARDS.**

- 5.1. CONTRACTOR warrants that CONTRACTOR and Contractor's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of NMC, or immediate family of an employee of NMC.
- 5.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- 5.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use NMC premises, property (including equipment,

instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

## 6. PAYMENT CONDITIONS.

- 6.1. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to NMC. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than thirty (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 Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as NMC approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within thirty (30) days of receiving the certified invoice.
- 6.2. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement; and then only in accordance with any applicable County policies.

## 7. TERMINATION.

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

8. **INDEMNIFICATION:** CONTRACTOR shall indemnify, defend and hold harmless, NMC and the County of Monterey (hereinafter "County"), its officers, agents and employees from any and all claims, liability, 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 NMC. "Contractor's performance" includes Contractor's action or inaction and the action or inaction of Contractor's officers, employees, agents and subcontractors.

## 9. INSURANCE.

### 9.1. Evidence of Coverage:

Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements

executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

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

- 9.2. Qualifying Insurers: All coverage's except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less that A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by NMC's Contracts/Purchasing Director.
- 9.3. 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.

Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, If CONTRACTOR employs other in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

Exemption/Modification (Justification attached; subject to approval).

#### 9.4. Other Insurance Requirements:

All insurance required by this Agreement shall be with a company acceptable to NMC and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that NMC shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance. The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by NMC, CONTRACTOR shall file certificates of insurance with NMC's Contracts/Purchasing Department, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by NMC, annual certificates to NMC's Contracts/Purchasing Department. If the certificate is not received by the expiration date, NMC shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles NMC, at its sole discretion, to terminate the Agreement immediately.

#### **10. RECORDS AND CONFIDENTIALITY.**

10.1. Confidentiality, CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from NMC or prepared in connection with the performance of this

Agreement, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to NMC any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out Contractor's obligations under this Agreement.

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

10.5. Royalties and Inventions. NMC shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of NMC.

11. **NON-DISCRIMINATION**. During the performance of this Agreement, Contractor, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in Contractor's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT**. If this Agreement has been or will be funded with monies received by NMC pursuant to a contract with the state or federal government in which NMC is the grantee, CONTRACTOR will comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to Contractor, at no cost to Contractor.



13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of NMC. No offer or obligation of permanent employment with NMC or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from NMC any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for an obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold NMC and the County of Monterey harmless from any and all liability, which NMC may incur because of Contractor's failure to pay such taxes.

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

FOR NATIVIDAD MEDICAL CENTER: Contracts/Purchasing Manager	FOR CONTRACTOR:
Name and Title	Cindi Levin, <i>Market Manager</i> Name and Title
1441 Constitution Blvd. Salinas, CA. 93906 Address	333 Geller #150 Address
831.755.4111 Phone	Daly City, CA 94015 650-258-4770 Phone

15. **MISCELLANEOUS PROVISIONS.**

15.1. **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 professional services required to be rendered under this Agreement.

15.2. **Amendment.** This Agreement may be amended or modified only by an instrument in writing signed by NMC and the Contractor.

15.3. **Waiver.** Any waiver of any terms and conditions of this Agreement must be in writing and signed by NMC and the Contractor. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

15.4. **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.

- 15.5. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 15.6. 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 NMC. None of the services covered by this Agreement shall be subcontracted without the prior written approval of NMC. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 15.7. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of NMC and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 15.8. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.9. Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10. Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.
- 15.11. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 15.12. Non-exclusive Agreement. This Agreement is non-exclusive and both NMC and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 15.13. Construction of Agreement. NMC and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 15.14. 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.
- 15.15. Integration. This Agreement, including the exhibits, represents the entire Agreement between ~~NMC and the CONTRACTOR~~ with respect to the subject matter of this Agreement and shall supersede all prior negotiations. Representations, or agreements, either written or oral, between NMC and CONTRACTOR as of the effective date of this Agreement, which is the date that NMC signs the Agreement.
- 15.16. 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.

NATIVIDAD MEDICAL CENTER

By: \_\_\_\_\_  
NMC Contracts/Purchasing Agent

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

By: [Signature]  
Department Head (if applicable)

Date: 4/30/10

By: [Signature: Stacy Saetta]  
Stacy Saetta, Deputy County Counsel

Date: 5/6/10

By: [Signature]  
Auditor/Controller

Date: 5-7-10

CONTRACTOR

SHE Services, Inc. dba  
Supplemental Health Care  
Contractor's Business Name\*\*\*

[Signature: Stephen Ure]  
Signature of Chair, President, or Vice-President

STEPHEN URE VP - J&A  
Name and Title

Date: 4/20/10

By: [Signature: Stephen Ure]  
Signature of Secretary, Asst. Secretary,  
CFO, Treasurer or Asst. Treasurer

STEPHEN URE, Secretary  
Name and Title

Date: 4/20/10

\*\*\*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. 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.

**Schedule A  
Natividad Hospital  
Client 2011 Bill Rates**

Specialty	Regular Registry/Per Diem Hours	Regular Weekend Hours	Base Travel* Hours
Occupational Therapist & Physical Therapist	\$68.00	\$68.00	\$70/hour*
Speech Language Pathologist	\$73.00	\$70.00	\$72/hour*
Occupational Therapist Assistant & Physical Therapist Assistant	\$56.00	\$57.00	\$59/hour*
Respiratory Therapist	\$62.00 – \$67.00/hour		\$67/hour*

\*Travel Rates: Negotiated on a case by case basis pending request/geographic location. Rate is agreed and confirmed in writing prior to assignment.

**Billable Mileage or Transportation Costs:** In the event that Client requires Company Health Care Personnel to travel between facilities during any work day, mileage between facilities will be billed to Client at a rate of \$\_\_\_\_\_ per mile.

**Billable Housing Costs:** No Billable Housing Costs; rates are inclusive.

**Billable Employment Conversion (Permanent Placement) Costs:** Any Company Health Care Personnel, whose profile has been submitted to Client by Company, may not be employed at Client either directly or through another Agency for one year following the termination of the assignment for any reason. However, any Company health Care Personnel may become an employee of the client with the payment of a placement fee and a 30 day notice of perm hire at the Client facility. If the employee has worked less than 520 hours, Client agrees to pay a Ten Thousand (\$10,000) fee for said hire. If the employee has worked 520 – 1040 hours and Client desires to make Company health Care Personnel a direct employee, Client agrees to pay an Eight Thousand Dollar (\$8,000) fee. In the event that after employee has worked 1040 hours of service client wishes to hire employee directly a Four Thousand (\$4,000) fee will be due.

**Billable Shift or Assignment Cancellation Terms:** A Thirty (30) day notice is required for cancellation of all travel assignments. Two (2) week notice for cancellation of 30 day or ongoing assignments and a Forty – eight (48) hour cancellation of PRN shifts is required; otherwise a four (4, 6, or 8) hour minimum billing for Shifts will be assessed depending on confirmation of 6, 8, or 10 hour confirmed assignment.

**Other Billable Costs or Terms:**

- Overtime rate – equal to time and one half on hours worked as required by the highest of federal or state law.
- Holiday rate – equal to time and one half on hours worked as required by the highest of federal or state law.

*\*All rates include payroll costs, employee benefits, malpractice/liability insurance, and travel expenses if required and not agreed upon with confirmation of assignment.*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Schedule A  
Natividad Hospital  
Client 2010 Bill Rates**

Specialty	Regular Registry/Per Diem Hours	Regular Weekend Hours	Base Travel* Hours	Call Back/Holiday Hours
Occupational Therapist & Physical Therapist	\$67.00	\$68.00	\$70/hour*	Time and ½ Base Rate
Speech Language Pathologist	\$73.00	\$70.00	\$72/hour*	Time and ½ Base Rate
Occupational Therapist Assistant & Physical Therapist Assistant	\$56.00	\$57.00	\$59/hour*	Time and ½ Base Rate
Respiratory Therapist	\$62.00 – 66.00/hour		\$66/hour*	Time and ½ Base Rate

\*Travel Rates: Negotiated on a case by case basis pending request/geographic location. Rate is agreed and confirmed in writing prior to assignment.

**Billable Mileage or Transportation Costs:** In the event that Client requires Company Health Care Personnel to travel between facilities during any work day, mileage between facilities will be billed to Client at a rate of \$\_\_\_\_\_ per mile.

**Billable Housing Costs:** No Billable Housing Costs; rates are inclusive.

**Billable Employment Conversion (Permanent Placement) Costs:** Any Company Health Care Personnel, whose profile has been submitted to Client by Company, may not be employed at Client either directly or through another Agency for one year following the termination of the assignment for any reason. However, any Company health Care Personnel may become an employee of the client with the payment of a placement fee and a 30 day notice of perm hire at the Client facility. If the employee has worked less than 520 hours, Client agrees to pay a Ten Thousand (\$10,000) fee for said hire. If the employee has worked 520 – 1040 hours and Client desires to make Company health Care Personnel a direct employee, Client agrees to pay an Eight Thousand Dollar (\$8,000) fee. In the event that after employee has worked 1040 hours of service client wishes to hire employee directly a Four Thousand (\$4,000) fee will be due.

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- Holiday rate – equal to time and one half on hours worked as required by the highest of federal or state law.

*\*All rates include payroll costs, employee benefits, malpractice/liability insurance, and travel expenses if required and not agreed upon with confirmation of assignment.*



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
10/1/2010

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Commercial Lines - (206) 892-9200 Wells Fargo Insurance Services USA, Inc. - CA Lic#: 0D08408 601 Union Street, Suite 1300 Seattle, WA 98101-1371	CONTACT NAME:		
	PHONE (A/C, No, Ext):	FAX (A/C, No):	
	E-MAIL ADDRESS:		
	PRODUCER CUSTOMER ID #:	SHCSERVIC	
INSURED SHC Services, Inc. 1640 West Redstone Center Dr., Ste 200 Park City UT 84098	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A:	Homeland Insurance Company of NY	34452
	INSURER B:	National Union Fire Ins. Co. of Pittsburgh, PA	19445
	INSURER C:		
	INSURER D:		
	INSURER E:		
	INSURER F:		

**COVERAGES** CERTIFICATE NUMBER: 1862753 REVISION NUMBER: See below

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR   WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR		MFL-0465-10	10/01/2010	10/01/2011	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ Included GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ Included
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		0934688	10/01/2010	10/01/2011	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE RETENTION \$		MFV-0138-10	10/01/2010	10/01/2011	EACH OCCURRENCE \$ 7,000,000 AGGREGATE \$ 7,000,000 \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N N/A If yes, describe under DESCRIPTION OF OPERATIONS below		069862301 California	10/01/2010	10/01/2011	<input checked="" type="checkbox"/> WC STATU- TORY LIMITS   <input type="checkbox"/> OTH- ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Medical Professional Liability		MFL-0465-10	10/01/2010	10/01/2011	\$1,000,000 OCC \$3,000,000 AGG

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
Evidence of Insurance

**CERTIFICATE HOLDER**

Natividad Medical Center  
Attn: Sarah Mora, Staffing Coordinator  
P.O. Box 81611  
Salinas CA 93912-1611

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

**EXHIBIT B  
INSURANCE JUSTIFICATION**

**Vendor/Contractor Name: Supplemental Healthcare Services (SHC)**

**General Liability Auto Additional Insured Endorsements**

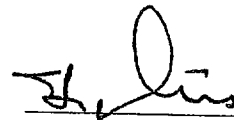
Business Justification:

The vendor has provided proof of General Liability Insurance at the required amounts. Due to the type of service provided by the vendor NMC request the Agreement be approved and the requirement for General Liability Additional Insured Endorsement be waived.

**Automobile Liability Additional Insured Endorsements**

Business Justification:

The vendor has provided proof of Automobile Liability Insurance. NMC requests the Agreement be approved and the requirement for the Additional Insured Endorsement for Auto Insurance be waived.



\_\_\_\_\_  
Harry Weis  
Chief Executive Officer

Date: 4/30/12

# Withholding Exemption Certificate

(This form can only be used to certify exemption from nonresident withholding under California Revenue and Taxation Code (R&TC) Section 18662. Do not use this form for exemption from wage withholding.)

File this form with your withholding agent. (Please type or print)

Withholding agent's name

Natividad Medical Center

Payee's name

SHC Services, Inc.

Payee's  SSN or ITIN  
 SOS file no.  CA corp. no.  FEIN  
 1 6 - 1 2 1 6 7 9 6

Address (number and street, PO Box, or PMB no.)

1640 W. Redstone Center Drive

Apt. no./ Ste. no.  
 2 0 0

City

Park City

State ZIP Code  
 U T 8-4 0 9 8

Read the following carefully and check the box that applies to the payee.

I certify that for the reasons checked below, the payee named on this form is exempt from the California income tax withholding requirement on payment(s) made to the entity or individual.

**Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Who is a Resident, for the definition of a resident.

**Corporations:**

The above-named corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return and withhold on payments of California source income to nonresidents when required. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information F, What is a Permanent Place of Business, for the definition of permanent place of business.

**Partnerships or limited liability companies (LLC):**

The above-named partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return and will withhold on foreign and domestic nonresident partners or members when required. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

**Tax-Exempt Entities:**

The above-named entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 \_\_\_\_\_ (insert letter) or Internal Revenue Code Section 501(c) \_\_\_\_\_ (insert number). The tax-exempt entity will withhold on payments of California source income to nonresidents when required. If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

**Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit Sharing Plans:**

The above-named entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

**California Trusts:**

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required. If the trustee becomes a nonresident at any time, I will promptly notify the withholding agent.

**Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required.

**Nonmilitary Spouse of a Military Servicemember:**

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

**CERTIFICATE:** Please complete and sign below.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Payee's name and title (type or print) Stephen Ure, CFO Daytime telephone no. 435-776-7213

Payee's signature  Date 03/10/2011



Supplemental  Health Care<sup>SM</sup>  
WORKFORCE SOLUTIONS

March 20, 2011

Sid Cato

Management Analyst/Contracts

Natividad Medical Center

1441 Constitution Blvd.

Salinas, CA 93906

Dear Sid,

Attached is our renewal amendment. Please let me know if you need any additional information.

Thank you for your continuing support. We look forward to working with you more this year!

Thanks again!

Best,



Cindi S. Levin

Market Manager

333 Gellert Blvd., #150, Daly City, CA 94015  
Ph: (650) 758-4700 Fax: (650) 758-4711