

**AMENDMENT NO. 5**  
**FOR PROFESSIONAL SERVICES AGREEMENT**  
**BETWEEN Beacon Partners Inc. AND**  
**THE NATIVIDAD MEDICAL CENTER**  
**FOR**  
**Meditech Management Consulting Services**

The parties to Professional Services Agreement ("Agreement"), dated February 1, 2012 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Beacon Partners Inc. (Contractor), hereby agree to amend their Agreement (No. A-11879) on the following terms and conditions:

**WHEREAS**, the County and Contractor wish to amend the Agreement to extend the term end date and to add additional services requested by County.

**WHEREAS**, the County and Contractor wish to amend the Agreement to increase the amount of the Agreement because of the term extension.

**WHEREAS**, the County and Contractor amended the Agreement previously on May 3, 2010 via Amendment No. 1, on October 1, 2010 via Amendment No. 2, on February 2, 2011 via Amendment No.3 and on July 1, 2011 via Amendment No. 4.

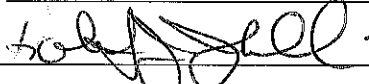
1. Exhibit A to the Agreement is replaced with Amendment-4 to Exhibit A, attached to this Amendment. All references in the Agreement to Exhibit A shall be construed to refer to Amendment-4 to Exhibit A.
2. Section 1. "PAYMENTS BY NMC" shall be amended by removing, "*The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$36,000.*" and replacing it with "*The total amount payable by County to CONTRACTOR under Agreement No. (A-11879) shall not exceed the total sum of \$1,033,080 for the full term of the Agreement and \$520,000 for fiscal year 2012-13.*"
3. Section 2. "TERM OF AGREEMENT" shall be amended by removing, "*The term of this Agreement is from February 1, 2010 to January 31, 2011 unless sooner terminated pursuant to this Agreement*" and replacing it with "*The term of this Agreement is from February 1, 2010 to June 30, 2013 unless sooner terminated pursuant to this Agreement.*"
4. All other terms and conditions of the Agreement shall continue in full force and effect. Except as provided herein, all remaining terms, conditions and provisions of the Agreement and Amendment Nos. 1, 2, 3, and 4 are unchanged and unaffected by this Amendment and shall continue in full force and effect as set forth in the Agreement.
5. A copy of this Amendment and all previous amendments shall be attached to the original Agreement (No. A-11879)
6. The effective date of this Amendment is July 1, 2012

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

**CONTRACTOR**

Signature 1  Dated April 18, 2012

Printed Name Ralph P. Fagnoli, Jr. Title President and CEO

Signature 2  Dated April 18, 2012

Printed Name Robert J. Jablonski Title Principal

*\*\*\*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 and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.*

**NATIVIDAD MEDICAL CENTER**

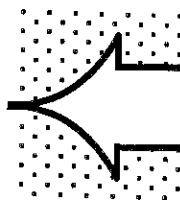
Signature \_\_\_\_\_ Dated \_\_\_\_\_  
Purchasing Manager

Signature  Dated 4/23/12  
NMC - CEO

Approved as to Legality and Legal Form:  
Charles J. McKee, County Counsel

By \_\_\_\_\_  
Stacy Saetta, Deputy  
Attorneys for County and NMC

Dated: \_\_\_\_\_, 2012



## Amendment-5 to Exhibit A

### Scope of Work

The scope of this engagement is for Beacon Partners (Beacon) to provide management consulting services to Natividad Medical Center (Natividad) in the form of subject matter expertise and staff augmentation support for clinical and non-clinical MEDITECH modules being implemented in MEDITECH Client Server (C/S) 5.64.

Beacon will provide experienced MEDITECH subject matter experts (SMEs) aligned with MEDITECH's Billing and Accounts Receivable (B/AR), Bedside Medication Verification (BMV), Electronic Medication Administration Record (eMAR) modules and transfusion records, as well as staff augmentation for the Order Entry (OE), Emergency Department Management (EDM), Provider Order Management (POM), Community Wide Scheduling (CWS), Prescription Management (RXM) and Pharmacy (PHA), Materials Management (MM), Laboratory (LAB) and Imaging and Therapeutic Services (ITS)modules.

### Approach

Beacon will continue to utilize those consultants familiar and experienced with the MEDITECH C/S 5.64 modules at Natividad, to provide the following services for this engagement:

- Prepare and distribute weekly status reports to Natividad information technology (IT) leadership.
- Develop and / or supervise development and production of project deliverables and work products.
- Participate in the implementation project team work groups to discuss MEDITECH experiences of best practice approaches to the implementation.
- Participate in operational workflow redesign.
- Work with Natividad to define optimal workflow measures and opportunities for process improvements for utilization of the new MEDITECH functionalities.
- Work with Natividad's physicians, nurses, clinicians and department managers to discuss how the MEDITECH system will affect or change patient services or workflows.
- Work with Natividad's nurses and physicians to identify their needs and requirements for appropriate use of the MEDITECH applications.
- Provide guidance with the design and development of dictionaries.

- Assist with the needs of management and staff affected by the new functionalities, both in technology transition for those utilizing the new system and changes to workflows for those currently accustomed to other system or manual procedures.
- Respond to questions regarding use of the modules.
- Resolve issues among the user community with regard to use of the system.
- Assist in maximizing the use of the modules to improve revenue cycle performance.
- Provide guidance with the design and development of dictionaries.
- Assist with the training needs of Natividad management and staff affected by the implementation project; this task will include identifying training requirements, both in technology transition for those utilizing the new system and changes to workflows for those currently accustomed to other system or manual procedures.

**Personnel, Duration and Fees**

All personnel assigned to the engagement shall be fully qualified to perform the tasks assigned to them and shall perform the services in a competent and professional manner.

We anticipate that the engagement will one year, commencing July 1, 2012.


Consulting fees for this project, which shall remain valid for 45 days from the date of this Engagement Proposal, are:

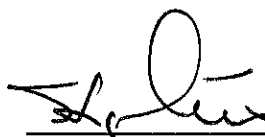
PROFESSIONAL PERSONNEL	HOURLY RATE	ESTIMATED HOURS	ESTIMATED TOTAL FEES*
Cindy Snyder, <i>Consultant</i>	\$170	1,000	\$170,000
Barbra Moody, <i>Consultant</i>	\$175	1,000	\$175,000
Gail Artigue, <i>Senior Consultant</i>	\$175	1,000	\$175,000
Total			<b>\$520,000</b>

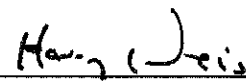
The terms and conditions governing our other engagements with Natividad will apply to this engagement. Fees represented above are inclusive of travel and administrative expenses in accordance with all applicable Monterey County policies, including without limitation the Monterey County travel policy and are valid for 45 days from the date of this letter. Thank you for your continued use of our services.

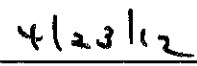


Approvals

  
\_\_\_\_\_  
Ralph P. Fagnoli, Jr., President and CEO  
Beacon Partners

  
\_\_\_\_\_  
Authorizing Signature  
Natividad Medical Center

  
\_\_\_\_\_  
Print Name

  
\_\_\_\_\_  
Date

**MONTEREY COUNTY BOARD OF SUPERVISORS**

<b>MEETING:</b>	<b>June 28, 2011</b>	<b>AGENDA NO.:</b>
<b>SUBJECT:</b>	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #4 to the Agreement (A-11879) with Beacon Partners for Meditech Billing and Accounts Receivable (B/AR) Module Support Services at NMC in an amount not to exceed \$513,080 in the aggregate and \$170,000 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 #4 to the Agreement (A-11879) with Beacon Partners for Meditech Billing and Accounts Receivable (B/AR) Module Support Services at NMC in an amount not to exceed \$513,080 in the aggregate and \$170,000 for the period July 1, 2011 to June 30, 2012.

**SUMMARY/DISCUSSION:**

As NMC continues to optimize its clinical operations and streamline the interoperability between key clinical applications of the Electronic Medical Record, a need has been identified to monitor, capture and document more accurate and complete billable service items and process from various disparate systems within the Billing and Accounts Receivable (B/AR) department. The recommendation is to continue obtaining subject matter expertise services in these areas from Beacon Partners. Over the next year, Beacon Partners will provide a highly skilled and experienced Meditech Billing and Accounts Receivable (B/AR) module subject matter expert to ensure process accuracy and timeliness is achieved and maintained in both the billing and claims groups within the Billing and Accounts Receivable (B/AR) department.

**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 \$170,000 and is included in the 2011/2012 Fiscal Year Recommended Budget. This action will not require any additional General Fund subsidy.

Prepared by:

Jim Fenstermaker, IT Director 796-1647

April 14, 2011

\_\_\_\_\_  
Harry Weis

Chief Executive Officer

Attachments: Amendments #1, 2, 3, 4, Original Agreement, Board Order  
Attachments are on file with the Clerk of the Board

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

Agreement No. A-11879

Authorize the Purchasing Manager for Natividad )  
Medical Center (NMC) to execute Amendment )  
No. 4 to the Agreement No. A-11879 with Beacon )  
Partners for Meditech Billing and Accounts )  
Receivable (B/AR) Module Support Services at )  
NMC in an amount not to exceed \$513,080 in the )  
aggregate and \$170,000 for the period July 1, 2011 )  
to June 30, 2012..... )

Upon motion of Supervisor Salinas, seconded by Supervisor Calcagno, and carried by those members present, the Board hereby;

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 4 to the Agreement No. A-11879 with Beacon Partners for Meditech Billing and Accounts Receivable (B/AR) Module Support Services at NMC in an amount not to exceed \$513,080 in the aggregate and \$170,000 for the period July 1, 2011 to June 30, 2012.

PASSED AND ADOPTED on this 28<sup>th</sup> day of June, 2011, by the following vote, to wit:

AYES: Supervisors Calcagno, Salinas, and Parker

NOES: None

ABSENT: Supervisors Armenta and Potter

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 28, 2011.

Dated: June 30, 2011

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

By Chit A. M  
Deputy

**RENEWAL AMENDMENT NO. 4  
FOR PROFESSIONAL SERVICE AGREEMENT  
BETWEEN Beacon Partners Inc AND  
THE NATIVIDAD MEDICAL CENTER**

**FOR  
Meditech Billing and Accounts Receivable (B/AR) Module Support Services**

The parties to Professional Service Agreement, dated <sup>FEB. 10 20.</sup> February 1, 2010 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Beacon Partners Inc (Contractor), hereby agree to renew their Agreement No. (A-11879) on the following terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (A-11879).
2. This Amendment shall become effective on July 1, 2011 and shall continue in full force until June 30, 2012.
3. The total amount payable by County to Contractor under Agreement No. (A-11879) shall not exceed the total sum of \$513,080 for the full term of the Agreement and \$170,000 for fiscal year 2011-2012.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (A-11879).

**IN WITNESS WHEREOF**, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

**CONTRACTOR**

Signature 1 [Signature] Dated 4/11/11

Printed Name RALPH P. FARLONDI, JR. Title PRESIDENT & CEO

Signature 2 [Signature] Dated 4/11/11

Printed Name CHARLES R. ANASTOS, JR. Title SENIOR VICE-PRESIDENT

*\*\*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 and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.*

**NATIVIDAD MEDICAL CENTER**

Signature \_\_\_\_\_ Dated \_\_\_\_\_  
Purchasing Manager

Signature [Signature] Dated 5/25/11  
NMC - CEO

Approved as to Legal Form:  
Charles J. McKee, County Counsel

By [Signature]  
Stacy Saetta, Deputy  
Attorneys for County and NMC

Reviewed as to legal provisions  
[Signature]  
Auditor/Controller  
County of Monterey  
Dated: 4/26, 2011



**MONTEREY COUNTY BOARD OF SUPERVISORS**

<b>MEETING:</b>	<b>February 15, 2010</b>	<b>AGENDA NO.:</b>
<b>SUBJECT:</b>	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #3 to the Agreement with Beacon Partners for Meditech Billing and Accounts Receivable (B/AR) Module Support services at NMC in an amount not to exceed \$343,080 (an increase of \$150,000) for the period February 1, 2011 to June 30, 2011.	
<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 #3 to the Agreement with Beacon Partners for Meditech Billing and Accounts Receivable (B/AR) Module Support services at NMC in an amount not to exceed \$343,080 (an increase of \$150,000) for the period February 1, 2011 to June 30, 2011.

**SUMMARY/DISCUSSION:**

Beacon Partners has been providing Meditech Billing and Accounts Receivable (B/AR) module subject matter expertise at NMC. As NMC continues to enhance and utilize additional functionality with B/AR, these services will need to be extended. A project of this magnitude requires oversight and management from highly skilled, back office-experienced individuals and Beacon Partners provides these services. The recommendation is to continue obtaining subject matter expertise services from Beacon Partners. Total spend on Beacon Partners for the period 8-12-2009 to present is \$856,609.65

**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 \$150,000 and is included in the 2010/2011 FY approved budget. This action will not require any additional General Fund subsidy.

Prepared by:  
Jim Fenstermaker 796-1647  
Chief Information Officer  
January 18, 2011

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

Attachments: Amendments #1, 2, Agreement, Board Order

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

Agreement Nos. A-11287

See Agreement No. A- 11879 for Amendment No. 2 (11/2/10)

Authorize the Purchasing Manager for )  
Natividad Medical Center (NMC) to )  
execute Amendment #3 to the Agreement )  
with Beacon Partners for Meditech Billing )  
and Accounts Receivable (B/AR) Module )  
Support services at NMC in an amount not )  
to exceed \$343,080 (an increase of )  
\$150,000) for the period February 1, 2011 )  
to June 30, 2011..... )

Upon motion of Supervisor Salinas, seconded by Supervisor Potter, and  
carried by those members present, the Board hereby;

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute  
Amendment #3 to the Agreement with Beacon Partners for Meditech Billing and  
Accounts Receivable (B/AR) Module Support services at NMC in an amount not to  
exceed \$343,080 (an increase of \$150,000) for the period February 1, 2011 to June 30,  
2011.

PASSED AND ADOPTED on this 15<sup>th</sup> day of February, 2011, by the following vote, to-  
wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, and 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 February 15, 2011.

Dated: February 16, 2011

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

By   
Deputy

AMENDMENT NO. 3  
FOR PROFESSIONAL SERVICE AGREEMENT  
BETWEEN Beacon Partners Inc. AND  
THE NATIVIDAD MEDICAL CENTER  
FOR

Meditech Billing and Accounts Receivable (B/AR) Module Support Services

The parties to Professional Service Agreement, dated February 1, 2010 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Beacon Partners Inc. (Contractor), hereby agree to amend their Agreement No. (A-11879) on the following terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (A-11879). Additionally services will include those described on Attachment A, attached to this Amendment #3.
2. This Amendment shall become effective on February 1, 2011 and shall continue in full force until June 30, 2011.
3. The total amount payable by County to Contractor under Agreement No. (A-11879) shall not exceed the total sum of \$343,080 for the full term of the Agreement and \$261,350 for fiscal year 2010-2011.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (A-11879).

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

Signature [Signature] Dated 1/14/11  
 Printed Name ROBERT TABONSKI Title REGIONAL DIRECTOR

NATIVIDAD MEDICAL CENTER

Signature [Signature] Dated 2/16/11  
 Purchasing Manager  
 Signature [Signature] Dated 1/19/11  
 NMC - CEO

Approved as to Legal Form:

Charles J. McKee, County Counsel

By [Signature]  
 Stacy Saetta, Deputy  
 Attorneys for County and NMC

Reviewed as to fiscal provisions Dated: 1/27, 2011

[Signature]  
 Auditor-Controller  
 County of Monterey 1-27-11

# ATTACHMENT A

## Beacon Partners' Engagement Proposal

### I. SCOPE of WORK

The scope of this engagement is for Beacon Partners (Beacon) to provide management consulting services to Natividad Medical Center (NMC) in the form of MEDITECH Client Server (C/S) Billing and Accounts Receivable (B/AR) module support and subject matter expertise.

### II. APPROACH

Beacon will provide a consultant familiar and experienced with the MEDITECH C/S 5.6 B/AR module to provide the following services:

- Work with NMC to define optimal workflow measures and opportunities for process improvements for utilization of the new MEDITECH functionality.
- Work with department managers to discuss how the MEDITECH system will affect or change patient services or workflows.
- Provide guidance with the design and development of dictionaries.
- Assist with the needs of management and staff affected by the B/AR functionality, both in technology transition for those utilizing the new system and changes to workflows for those currently accustomed to other system or manual procedures.
- Respond to questions regarding use of the B/AR module.
- Resolve issues among the user community with regard to use of the system.
- Assist in maximizing the use of the B/AR module to improve revenue cycle performance.

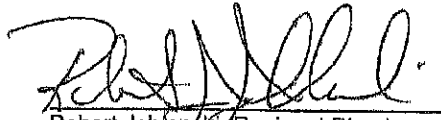
### III. PERSONNEL, PROJECT DURATION and FEES


All personnel assigned to the engagement shall be fully qualified to perform the tasks assigned to them and shall perform the services in a competent and professional manner. We anticipate that the project will span 22 weeks, excluding holidays and ending July 28, 2011. Consulting fees for this project are:

PROFESSIONAL STAFF	HOURLY RATE	ESTIMATED HOURS	ESTIMATED FEES
Gail Artigue, Senior Consultant	\$170	880	\$149,600

All terms and conditions, as specified in our original Engagement Agreement dated January 29, 2010, will continue throughout this engagement. Fees represented above are inclusive of travel and administrative expenses in accordance with all applicable Monterey County policies, including without limitation the Monterey County travel policy, and are valid for 45 days from the date of this letter. Upon approval please sign where indicated and fax this entire document 877.755.2703. Thank you for your continued use of our services.

**IV. APPROVALS**

  
\_\_\_\_\_  
Robert Jablonki, Regional Director  
Beacon Partners

  
\_\_\_\_\_  
Authorizing Signature  
Natividad Medical Center

Sid Lato  
\_\_\_\_\_  
Print Name

8-16-11  
\_\_\_\_\_  
Date

**MONTEREY COUNTY BOARD OF SUPERVISORS**

<b>MEETING:</b>	<b>October 26, 2010</b>	<b>AGENDA NO.:</b>
<b>SUBJECT:</b>	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #2 to the Agreement with Beacon Partners for Meditech Billing and Accounts Receivable (B/AR) Module Support services at NMC in an amount not to exceed \$193,080 (an increase of \$95,880) for the period October 1, 2010 to June 30, 2011.	
<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 #2 to the Agreement with Beacon Partners for Meditech Billing and Accounts Receivable (B/AR) Module Support services at NMC in an amount not to exceed \$193,080 (an increase of \$95,880) for the period October 1, 2010 to June 30, 2011.

**SUMMARY/DISCUSSION:**

Beacon Partners has been providing Meditech Billing and Accounts Receivable (B/AR) module subject matter expertise at NMC. As NMC continues to enhance and utilize additional functionality with B/AR, these services will need to be extended. A project of this magnitude requires oversight and management from highly skilled, back office-experienced individuals and Beacon Partners provides these services. The recommendation is to continue obtaining subject matter expertise services from Beacon Partners. Total spend on Beacon Partners for the period 8-12-2009 to present is \$706,609.65

**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 \$95,880 and is included in the 2010/2011 FY approved budget. This action will not require any additional General Fund subsidy.

Prepared by:  
Kirk Larson  
Chief Information Officer  
September 16, 2010

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

Attachments: Amendment #1 & 2, Agreement, Board Order

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

**Agreement No: A - 11879**

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to )  
execute Amendment No. 2 to the Agreement with Beacon Partners for )  
Meditech Billing and Accounts Receivable (B/AR) Module Support )  
services at NMC in an amount not to exceed \$193,080 (an increase of )  
\$95,880) for the period October 1, 2010 through June 30, 2011. )

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

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 2 to the Agreement with Beacon Partners for Meditech Billing and Accounts Receivable (B/AR) Module Support services at NMC in an amount not to exceed \$193,080 (an increase of \$95,880) for the period October 1, 2010 through June 30, 2011.

**PASSED AND ADOPTED** this 2<sup>nd</sup> day of November, 2010, by the following vote, to wit:

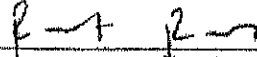
AYES: Supervisors Armenta, Calcagno, Salinas, Parker, Potter  
NOES: None  
ABSENT: None

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 November 2, 2010.

Dated: November 2, 2010

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

By

  
Deputy

**AMENDMENT NO. 2  
FOR PROFESSIONAL SERVICE AGREEMENT  
BETWEEN Beacon Partners Inc. AND  
THE NATIVIDAD MEDICAL CENTER**

**FOR  
Meditech Billing and Accounts Receivable (B/AR) Module Support SERVICES**

The parties to Professional Service Agreement, dated February 1, 2010 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Beacon Partners Inc. (Contractor), hereby agree to amend their Agreement No. (SC862) on the following terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (SC862). Additionally, Contractor will provide the services described on Attachment A attached to this Amendment #2.
2. This Amendment shall become effective on October 1, 2010 and shall continue in full force until June 30, 2011.
3. The total amount payable by County to Contractor under Agreement No. (SC862) shall not exceed the total sum of \$193,080 for the full term of the Agreement and \$111,350 for fiscal year 2010-2011.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (SC862).

**IN WITNESS WHEREOF**, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

**CONTRACTOR**

Signature *Ralph P. Fagnoli, Jr.* Dated September 1, 2010  
 Printed Name Ralph P. Fagnoli, Jr. Title President and CEO

**NATIVIDAD MEDICAL CENTER**

Signature *[Signature]* Dated 9/27/10  
 Purchasing Manager  
 Signature *[Signature]* Dated 9/2/10  
 NMC - CEO

Approved as to Legal Form:

Charles J. McKee, County Counsel

By *[Signature]*  
 Stacy Saetta, Deputy  
 Attorneys for County and NMC

Reviewed as to fiscal provisions Dated: 9/16, 2010

*[Signature]*  
 Auditor-Controller  
 County of Monterey 9-17-10



Attachment A

**Beacon Partners'  
Engagement Proposal**

**I. SCOPE of WORK**

The scope of this engagement is for Beacon Partners (Beacon) to provide management consulting services to Natividad Medical Center (NMC) in the form of MEDITECH Client Server (C/S) Billing and Accounts Receivable (B/AR) module support and subject matter expertise.

**II. APPROACH**

Beacon will provide a consultant familiar and experienced with the MEDITECH C/S 5.6 B/AR module to provide the following services:

- Work with NMC to define optimal workflow measures and opportunities for process improvements for utilization of the new MEDITECH functionality.
- Work with department managers to discuss how the MEDITECH system will affect or change patient services or workflows.
- Provide guidance with the design and development of dictionaries.
- Assist with the needs of management and staff affected by the B/AR functionality, both in technology transition for those utilizing the new system and changes to workflows for those currently accustomed to other system or manual procedures.
- Respond to questions regarding use of the B/AR module.
- Resolve issues among the user community with regard to use of the system.
- Assist in maximizing the use of the B/AR module to improve revenue cycle performance.

**III. PERSONNEL, PROJECT DURATION and FEES**

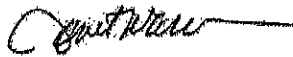
All personnel assigned to the engagement shall be fully qualified to perform the tasks assigned to them and shall perform the services in a competent and professional manner. We anticipate that the project will span 14 weeks, excluding holidays and ending February 11, 2011. Consulting fees for this project are:

PROFESSIONAL STAFF	HOURLY RATE	ESTIMATED HOURS	ESTIMATED FEES
Gail Artigue, <i>Senior Consultant</i>	\$170	564	\$95,880

Attachment A

All terms and conditions, as specified in our original Engagement Agreement, dated January 29, 2010, will continue throughout this engagement. Fees represented above are inclusive of travel and administrative expenses in accordance with all applicable Monterey County policies, including without limitation the Monterey County travel policy, and are valid for 45 days from the date of this letter. Upon approval please sign where indicated and fax this entire document 877.755.2703. Thank you for your continued use of our services.

**IV. APPROVALS**



09/01/10

\_\_\_\_\_  
Janet Warren  
Client Service Manager  
Beacon Partners

\_\_\_\_\_  
Authorizing Signature  
Natividad Medical Center

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

**AMENDMENT NO. 1  
FOR PROFESSIONAL SERVICE AGREEMENT  
BETWEEN Beacon Partners Inc. AND  
THE NATIVIDAD MEDICAL CENTER**

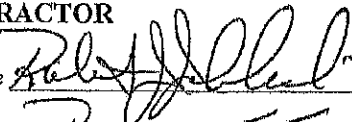
**FOR  
Meditech Billing and Accounts Receivable (B/AR) Module Support SERVICES**

The parties to Professional Service Agreement, dated February 1, 2010 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Beacon Partners Inc. (Contractor), hereby agree to amend their Agreement No. (BPO1971) on the following terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (BPO1971). Additionally, Contractor will provide the services described on Attachment A attached to this Amendment #1.
2. This Amendment shall become effective on May 3, 2010 and shall continue in full force until January 31, 2011.
3. The total amount payable by County to Contractor under Agreement No. (BPO1971) shall not exceed the total sum of \$97,200 for the full term of the Agreement and \$97,200 for fiscal year 2009-2010.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (BPO1971).

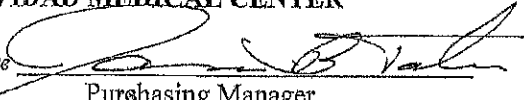
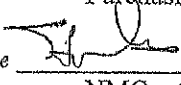
IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

**CONTRACTOR**

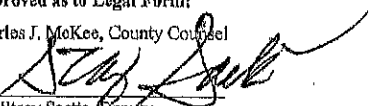
Signature   
Printed Name ROBERT J. JABLONSKI

Dated 3/30/10  
Title REGIONAL DIRECTOR

**NATIVIDAD MEDICAL CENTER**

Signature   
Purchasing Manager  
Signature   
NMC - CEO

Dated 4/8/10  
Dated 4/1/10

Approved as to Legal Form:  
Charles J. McKee, County Counsel  
By   
Stacy Saetta, Deputy  
Attorneys for County and NMC

Dated: 4/2, 2010

Reviewed as to fiscal provisions  
  
Auditor/Controller  
County of Monterey  
4710

ATTACHMENT A



Beacon Partners Inc.  
87 Libby Parkway, Suite 210  
Weymouth, MA 02189  
t: 781.882.8400 f: 781.337.8488  
www.beaconpartners.com  
BOSTON • SAN FRANCISCO • TORONTO

March 29, 2010

Mr. Kirk Larson  
Chief Information Officer  
Natividad Medical Center  
1441 Constitution Boulevard, Building 300  
Salinas, CA 93912-1611

Dear Mr. Larson:

This letter will serve as an addendum to extend our consulting agreement dated January 29, 2010. It is Beacon Partners' understanding that the project is going well and continues to meet Natividad Medical Center's requirements for support of the MEDITECH B/AR upgrade and that you wish to expand our services to include an additional 360 hours of support for revenue cycle improvement. At your request, Beacon Partners will, commencing May 3, 2010, provide such consulting services through July 3, 2010.

Consultants and associated fees for this engagement are as follow.

CONSULTANT / ROLE	HOURS	HOURLY RATE	FEES
Gall Artigue, <i>Senior Consultant</i>	360	\$170	\$61,200
<b>TOTAL</b>			<b>\$61,200</b>

All terms and conditions, as specified in our original Engagement Agreement, will continue throughout this extension. Fees represented above are inclusive of professional fees, travel and administrative expenses and valid for 45 days from the date of this letter. Thank you for your continued use of our services.

Sincerely,

Addendum Approval:

Robert J. Jablonski  
Regional Manager  
Beacon Partners, Inc.

Authorizing Signature  
Natividad Medical Center

*James B. Tatum*  
Print Name

*4/8/10*  
Date

Proposal ID#: NAT032910/2770  
Original Project #: 000667  
Confidential



**COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES**  
**(NOT TO EXCEED \$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 Beacon Partners Inc. hereinafter "CONTRACTOR").

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

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: Meditech Billing and Accounts Receivable (B/AR) Module support

1. 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 \$36,000
2. TERM OF AGREEMENT. The term of this Agreement is from Feb 1, 2010 to Jan 31, 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.
3. ADDITIONAL PROVISIONS/EXHIBITS. The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:  
  
Exhibit A/Schedule A: Scope of Services/Payment Provisions
4. PERFORMANCE STANDARDS.
  - 4.1. 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.
  - 4.2. 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.

4.3. 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.

## 5. PAYMENT CONDITIONS.

5.1. 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 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 30 days of receiving the certified invoice.

5.2. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

## 6. TERMINATION.

6.1. 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.

6.2. NMC may cancel and terminate this Agreement for good cause effective immediately upon written notice to Contractor. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If NMC terminates this Agreement for good cause, NMC may be relieved of the payment of any consideration to Contractor, and NMC may proceed with the work in any manner, which NMC deems proper. The cost to NMC shall be deducted from any sum due the CONTRACTOR under this Agreement.

7. INDEMNIFICATION: CONTRACTOR shall indemnify, defend and hold harmless. NMC and the County of Monterey (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by CONTRACTOR and/or its agent, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by NMC. It is the intent of the parties to this Agreement to provide the broadest possible coverage for NMC. The CONTRACTOR shall reimburse NMC for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the CONTRACTOR is obligated to indemnify, defend and hold harmless NMC and the County under this Agreement.

## 8. INSURANCE.

### 8.1. 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.

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.

8.2. 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.

8.3. 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 \$500,000 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).

#### 8.4. 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 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.

#### 9. RECORDS AND CONFIDENTIALITY.

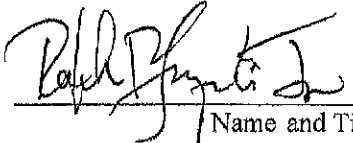
9.1. Confidentiality, CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information 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.
- 9.2. 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.
- 9.3. 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.
- 9.4. 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.
- 9.5. 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.
10. **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.
11. **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.
12. **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.

13. 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	 <u>President</u> Name and Title
1441 Constitution Blvd. Salinas, CA. 93906	<u>972 Libbey Parkway, Westwood, MA 01899</u> Address
831.755.4111	<u>781-982-8400</u> <u>X7414</u> Phone

14. MISCELLANEOUS PROVISIONS.

- 14.1. 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.
- 14.2. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by NMC and the Contractor.
- 14.3. 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.
- 14.4. 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.
- 14.5. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 14.6. 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.

- 14.7. 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.
- 14.8. Compliance with Applicable Law . The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 14.9. Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 14.10. Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement
- 14.11. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 14.12. 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.
- 14.13. 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.
- 14.14. 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.
- 14.15. 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.
- 14.16. 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: [Signature]  
NMC Contracts/Purchasing Agent

Date: 2/23/10

By: [Signature]  
Department Head (if applicable)

Date: 2/16/10

Approved as to Legal Form

By: [Signature]  
Stacy Saetta  
Deputy County Counsel

Date: 2/19/10

Approved as to Fiscal Provisions

By: [Signature]  
Auditor/Controller

Date: 2-19-10

CONTRACTOR

BEACON PARTNERS, INC.  
Contractor's Business Name\*\*\*

[Signature]  
Signature of Chair, President, or Vice-President

Charles A. Aronson Sr. Senior Vice President  
Name and Title

Date: 2/9/2010

By: [Signature]  
(Signature of Secretary, Asst. Secretary, CFO, Treasurer  
or Asst. Treasurer)

Ralph P. Faegre Jr. - Sec  
Name and Title

Date: 2/9/10

\*\*\*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 and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.

# EXHIBIT A

## Beacon Partners Engagement Proposal

### I. SCOPE of WORK

The scope of this engagement is for Beacon Partners (Beacon) to provide management consulting services to Natividad Medical Center (Natividad) in the form of MEDITECH Client Server (C/S) 5.6 Billing and Accounts Receivable (B/AR) module subject matter expertise.

### II. SCOPE

Beacon understands that Natividad is in the process of implementing the MEDITECH C/S 5.6 B/AR module and the implementation is proceeding as planned. Natividad would like Beacon to provide a pool of consulting hours that can be drawn upon as needed to support the analysts and implementation specialists working to implement the B/AR module.

### III. APPROACH

Beacon will provide a consultant familiar and experienced with MEDITECH C/S 5.6 B/AR module to provide the following services.

- Participate in the implementation project team work groups to discuss MEDITECH experiences of best practice approaches to the implementation.
- Participate in operational workflow redesign.
- Work with Natividad to define optimal workflow measures and opportunities for process improvements for utilization of the new MEDITECH functionality.
- Work with department managers to discuss how the MEDITECH system will affect or change their patient services or workflows.
- Provide guidance with the design and development of dictionaries.
- Provide guidance in developing and executing integration test plans.
- Provide guidance in developing and executing end-user training plans.
- Assist with the overall training needs of management and staff affected by the implementation project; this task will include identifying training requirements, both in technology transition for those utilizing the new system and changes to workflows for those currently accustomed to other system or manual procedures.

- Provide guidance in developing end-user menus.
- Provide Go-Live support.
- Provide post-Live support.

**IV. PERSONNEL, PROJECT DURATION and FEES**

All personnel assigned to the engagement shall be fully qualified to perform the tasks assigned to them and shall perform the services in a competent and professional manner.

We anticipate that the project will take 200 hours over a period of four months, and Beacon will assign consultants with MEDITECH C/S 5.6 B/AR experience. Due to the exigencies of Natividad's situation and the part-time nature of this engagement, Beacon may assign different consultants during different phases of the project. The consulting fees for this project, which shall remain valid for 45 days from the date of this Engagement Proposal, are:

PROFESSIONAL STAFF	HOURLY RATE	ESTIMATED HOURS	ESTIMATED FEES*
MEDITECH C/S B/AR Subject Matter Experts	\$180	200	\$36,000
<b>Total</b>		200	<b>\$36,000</b>

Fees represented above are inclusive of travel and administrative expenses in accordance with all applicable Monterey County policies, including without limitation the Monterey County travel policy and are valid for 45 days from the date of this letter. Thank you for your continued use of our services.

Beacon Partners Inc.  
 Ralph Pfaendli Jr.  
 President  
 2/4/10

## BUSINESS ASSOCIATE AGREEMENT

This Agreement, hereinafter referred to as "Agreement", is made effective **October 15, 2009** by and between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center, hereinafter referred to as "Covered Entity", and **Beacon Partners Inc.** hereinafter referred to as "Business Associate", (individually, a "Party" and collectively, the "Parties").

### WITNESSETH:

**WHEREAS**, Sections 261 through 264 of the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, known as "the Administrative Simplification provisions," direct the Department of Health and Human Services to develop standards to protect the security, confidentiality and integrity of health information; and

**WHEREAS**, pursuant to the Administrative Simplification provisions, the Secretary of Health and Human Services has issued regulations modifying 45 CFR Parts 160 and 164 (the "HIPAA Privacy Rule"); and

**WHEREAS**, the State of California has enacted statutes designed to safeguard patient privacy including, without limitation, the Confidentiality of Medical Information Act ("CMIA"), California Civil Code § 56 *et seq.*, Senate Bill 541, enacted September 30, 2008, and Assembly Bill 211, enacted September 30, 2008; and

**WHEREAS**, the parties acknowledge that California law may include provisions more stringent and more protective of the confidentiality of health information than the provisions of HIPAA; and

**WHEREAS**, the Parties wish to enter into or have entered into an arrangement whereby Business Associate will provide certain services to Covered Entity, hereby referred to as the "Service Agreement" and, pursuant to such arrangement, Business Associate may be considered a "business associate" of Covered Entity as defined in the HIPAA Privacy Rule and under California law; and

**WHEREAS**, Business Associate may have access to Protected Health Information (as defined below) in fulfilling its responsibilities under such arrangement;

**THEREFORE**, in consideration of the Parties' continuing obligations under the Service Agreement, compliance with the HIPAA Privacy Rule; compliance with California law, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the provisions of this Agreement in order to address the requirements of the HIPAA Privacy Rule and California law and to protect the interests of both Parties.

### **I. DEFINITIONS**

Except as otherwise defined herein, any and all capitalized terms in this Section shall have the definitions set forth in the HIPAA Privacy Rule. In the event of an inconsistency between the provisions of this Agreement and mandatory provisions of the HIPAA Privacy Rule, as amended, the HIPAA Privacy Rule shall control. In the event of an inconsistency between the provisions of this Agreement and mandatory provisions of CMIA or other California law, California law shall control. Where provisions of this Agreement are different than those mandated in the HIPAA Privacy Rule and California law, but nonetheless are permitted by the HIPAA Privacy Rule and California law, the provisions of this Agreement shall control.

The term "Protected Health Information" means individually identifiable health information including, without limitation, all information, data, documentation, and materials, including without limitation, demographic,

medical and financial information, that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

Business Associate acknowledges and agrees that all Protected Health Information that is created or received by Covered Entity and disclosed or made available in any form, including paper record, oral communication, audio recording, and electronic display by Covered Entity or its operating units to Business Associate or is created or received by Business Associate on Covered Entity's behalf shall be subject to this Agreement.

## II. CONFIDENTIALITY REQUIREMENTS

(a) Business Associate agrees:

(i) to access, use, or disclose any Protected Health Information solely: (1) for meeting its obligations as set forth in any agreements between the Parties evidencing their business relationship or (2) as required by applicable law, rule or regulation, or by accrediting or credentialing organization to whom Covered Entity is required to disclose such information or as otherwise permitted under this Agreement, the Service Agreement (if consistent with this Agreement the HIPAA Privacy Rule, and California law), the HIPAA Privacy Rule, or California law and (3) as would be permitted by the HIPAA Privacy Rule and California law if such use or disclosure were made by Covered Entity;

(ii) at termination of this Agreement, the Service Agreement (or any similar documentation of the business relationship of the Parties), or upon request of Covered Entity, whichever occurs first, if feasible, Business Associate will return or destroy all Protected Health Information received from or created or received by Business Associate on behalf of Covered Entity that Business Associate still maintains in any form and retain no copies of such information, or if such return or destruction is not feasible, Business Associate will extend the protections of this Agreement to the information and limit further access, uses, and disclosures to those purposes that make the return or destruction of the information not feasible; and

(iii) to ensure that its agents, including a subcontractor, to whom it provides Protected Health Information received from or created by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply to Business Associate with respect to such information. In addition, Business Associate agrees to take reasonable steps to ensure that its employees' actions or omissions do not cause Business Associate to breach the terms of this Agreement.

(b) Notwithstanding the prohibitions set forth in this Agreement, Business Associate may use and disclose Protected Health Information as follows:

(i) if necessary, for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate, provided that as to any such disclosure, the following requirements are met:

(A) the disclosure is required by law; or

(B) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and accessed, used, or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached, within five calendar days of discovering said breach of confidentiality;

(ii) for data aggregation services, if to be provided by Business Associate for the health care operations of Covered Entity pursuant to any agreements between the Parties evidencing their business relationship. For purposes of this Agreement, data aggregation services means the combining of Protected Health Information by Business Associate with the protected health information received by



Business Associate in its capacity as a business associate of another covered entity, to permit data analyses that relate to the health care operations of the respective covered entities.

(o) Business Associate will implement appropriate safeguards to prevent access to, use of, or disclosure of Protected Health Information other than as permitted in this Agreement. The Secretary of Health and Human Services shall have the right to audit Business Associate's records and practices related to use and disclosure of Protected Health Information to ensure Covered Entity's compliance with the terms of the HIPAA Privacy Rule. Business Associate shall report to Covered Entity any access, use, or disclosure of Protected Health Information which is not in compliance with the terms of this Agreement of which it becomes aware within five calendar days of discovering such improper access, use, or disclosure. In addition, Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use, disclosure, or access of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

### III. AVAILABILITY OF PHI

Business Associate agrees to make available Protected Health Information to the extent and in the manner required by Section 164.524 of the HIPAA Privacy Rule. Business Associate agrees to make Protected Health Information available for amendment and incorporate any amendments to Protected Health Information in accordance with the requirements of Section 164.526 of the HIPAA Privacy Rule. In addition, Business Associate agrees to make Protected Health Information available for purposes of accounting of disclosures, as required by Section 164.528 of the HIPAA Privacy Rule.

### IV. TERMINATION

Notwithstanding anything in this Agreement to the contrary, Covered Entity shall have the right to terminate this Agreement and the Service Agreement immediately if Covered Entity determines that Business Associate has violated any material term of this Agreement. If Covered Entity reasonably believes that Business Associate will violate a material term of this Agreement and, where practicable, Covered Entity gives written notice to Business Associate of such belief within a reasonable time after forming such belief, and Business Associate fails to provide adequate written assurances to Covered Entity that it will not breach the cited term of this Agreement within a reasonable period of time given the specific circumstances, but in any event, before the threatened breach is to occur, then Covered Entity shall have the right to terminate this Agreement and the Service Agreement immediately, and seek injunctive and/or declaratory relief in a court of law having jurisdiction over Business Associate.

### V. MISCELLANEOUS

Except as expressly stated herein, in the HIPAA Privacy Rule, or under California law, the parties to this Agreement do not intend to create any rights in any third parties. The obligations of Business Associate under this Section shall survive the expiration, termination, or cancellation of this Agreement, the Service Agreement and/or the business relationship of the parties, and shall continue to bind Business Associate, its agents, employees, contractors, successors, and assigns as set forth herein.

This Agreement may be amended or modified only in a writing signed by the Parties. No Party may assign its respective rights and obligations under this Agreement without the prior written consent of the other Party. None of the provisions of this Agreement are intended to create, nor will they be deemed to create any relationship between the Parties other than that of independent parties contracting with each other solely for the purposes of effecting the provisions of this Agreement and any other agreements between the Parties evidencing their business relationship. This Agreement will be governed by the laws of the State of California. No change, waiver or

discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.

The parties agree that, in the event that any documentation of the parties, pursuant to which Business Associate provides services to Covered Entity contains provisions relating to the use or disclosure of Protected Health Information which are more restrictive than the provisions of this Agreement, the provisions of the more restrictive documentation will control. The provisions of this Agreement are intended to establish the minimum requirements regarding Business Associate's use and disclosure of Protected Health Information.

In the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the provisions of this Agreement will remain in full force and effect. In addition, in the event a party believes in good faith that any provision of this Agreement fails to comply with the then-current requirements of the HIPAA Privacy Rule or California law, such party shall notify the other party in writing. For a period of up to thirty days, the parties shall attempt in good faith to address such concern and amend the terms of this Agreement, if necessary to bring it into compliance. If, at the conclusion of such thirty-day period, a party believes in good faith that the Agreement still fails to comply with the HIPAA Privacy Rule or California law, then either party has the right to terminate this Agreement and the Service Agreement upon written notice to the other party. Neither party may terminate this Agreement without simultaneously terminating the Service Agreement, unless the parties mutually agree in writing to modify this Agreement or immediately replace it with a new Business Associate Agreement that fully complies with the HIPAA Privacy Rule and California law.

Business Associate acknowledges that Natividad Medical Center (NMC) has established a Corporate Compliance Program, and under this program NMC has developed a Code of Conduct Manual to provide guidance in the ethical and legal performance of our professional services. Business Associate further agrees to abide by all principles stated in the Code of Conduct while conducting business with Natividad Medical Center. A copy of the Code of Conduct & Principles of Compliance is available upon request.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year written above.

COVERED ENTITY:

BUSINESS ASSOCIATE:

By: [Signature]

By: [Signature]

Title: CEO

Title: Pres # CEO

Date: 10/6/09

Date: 10/6/09



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
12/12/2011

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).

<b>PRODUCER</b> Charles River Ins. Brokerage, Inc. 5 Whittier Street 4th Floor Framingham MA 01701		<b>CONTACT NAME:</b> Suzette Kovacs <b>PHONE (A/C No, Ext):</b> (508) 656-1400 <b>FAX (A/C, No):</b> (508) 656-1499 <b>E-MAIL ADDRESS:</b> skovacs@crinsurance.biz <b>PRODUCER CUSTOMER ID#:</b> 00011769													
<b>INSURED</b> Beacon Partners, Inc. 97 Libbey Parkway, Suite 310 Weymouth MA 02189		<b>INSURER(S) AFFORDING COVERAGE</b> <table border="1"> <tr> <td>INSURER A: The Phoenix Insurance Co</td> <td>25623</td> </tr> <tr> <td>INSURER B: Travelers Indemnity</td> <td>25658</td> </tr> <tr> <td>INSURER C: Travelers Casualty and Surety</td> <td>31194</td> </tr> <tr> <td>INSURER D: Travelers Casualty &amp; Surety Co.</td> <td>29246</td> </tr> <tr> <td>INSURER E: ACE Insurance Company</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>		INSURER A: The Phoenix Insurance Co	25623	INSURER B: Travelers Indemnity	25658	INSURER C: Travelers Casualty and Surety	31194	INSURER D: Travelers Casualty & Surety Co.	29246	INSURER E: ACE Insurance Company		INSURER F:	
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INSURER E: ACE Insurance Company															
INSURER F:															

**COVERAGES** CERTIFICATE NUMBER: 11GL/CA/UMB/WC/E&O/Breach REVISION NUMBER:

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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			630178M2962	10/13/2011	10/13/2012	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 10,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
GEN'L AGGREGATE LIMIT APPLIES PER:							PRODUCTS - COMP/OP AGG \$ 2,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						\$
B	AUTOMOBILE LIABILITY			BA164M7057TEC	10/13/2011	10/13/2012	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS						\$
<input checked="" type="checkbox"/> NON-OWNED AUTOS			\$				
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			CUP178M2962	10/13/2011	10/13/2012	EACH OCCURRENCE \$ 3,000,000
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$ 3,000,000
	<input type="checkbox"/> DEDUCTIBLE						\$
	<input checked="" type="checkbox"/> RETENTION \$ 10,000						\$
							\$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			HKUB7658M60010	10/13/2011	10/13/2012	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH)		N/A				E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
E	Tech E&O			G25841153	10/13/2011	10/13/2012	Ea Claim 3,000,000
	Data Breach \$500,000						Aggregate 3,000,000

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

<b>CERTIFICATE HOLDER</b>  SAMPLE CERTIFICATE	<b>CANCELLATION</b>  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  E Bohn Gitlitz/SJK

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED (CONTRACTORS)**

This endorsement modifies Insurance provided under the following:  
**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

### **SCHEDULE**

**NAME OF PERSON(S) OR ORGANIZATION(S):**  
COUNTY OF MONTEREY, ITS OFFICERS,  
AGENTS AND EMPLOYEES IT IS  
UNDERSTOOD THAT THIS INS IS PRIMARY,  
AND ANY OTHER INS MAINTAINED BY THE  
ADDL INSRD SHALL BE EXCESS ONLY, &  
NOT CONTRIBUTING WITH THIS INSURANCE  
1441 CONSTITUTION BLVD., SALINAS, CA 90906  
**PROJECT/LOCATION OF COVERED OPERATIONS:**  
CALIFORNIA

1. WHO IS AN INSURED – (Section II) is amended to include the person or organization shown in the Schedule above, but:
  - a) Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
  - b) If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" on or for the project, or at the location, shown in the Schedule. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
  - a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by a "written contract requiring insurance" for that additional insured, the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III – Limits Of Insurance.
  - b) The insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
    - i. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
    - ii. Supervisory, inspection, architectural or engineering activities.
  - c) The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless a "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage

COMMERCIAL GENERAL LIABILITY

or the end of the policy period, whichever is earlier.

3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement. However, if a "written contract requiring insurance" for that additional insured specifically requires that this insurance apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But the insurance provided to the additional insured by this endorsement still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under such "other insurance".
4. As a condition of coverage provided to the additional insured by this endorsement:
  - a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:
    - i. How, when and where the "occurrence" or offense took place;
    - ii. The names and addresses of any injured persons and witnesses; and
    - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
  - b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:

- i. Immediately record the specifics of the claim or "suit" and the date received; and

- ii. Notify us as soon as practicable.

The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c) The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit"; cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and otherwise comply with all policy conditions.
  - d) The additional insured must tender the defense and indemnity of any claim or "suit" to any provider of "other insurance" which would cover the additional insured for a loss we cover under this endorsement. However, this condition does not affect whether the insurance provided to the additional insured by this endorsement is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured as described in paragraph 3. above.
5. The following definition is added to SECTION V. - DEFINITIONS:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After the signing and execution of the contract or agreement by you;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.