



Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement No.: A-11123

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

Authorized the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Renewal & Amendment No. 5 to the Agreement (A-11123) with MModal Services LTD, retroactive to July 1, 2015, for medical dictation and transcription services at NMC, to extend the term of the Agreement for an additional one (1) year period for a revised full term of March 24, 2008 through June 30, 2016 with no increase to the previously approved Agreement amount of \$4,000,000.

PASSED AND ADOPTED on this 15th day of December 2015, by the following vote, to wit:

- AYES: Supervisors Armenta, Phillips, 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 78 for the meeting on December 15, 2015

Dated: December 21, 2015
File ID: A 15-387

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

By *Sally J. ...* Deputy

**RENEWAL & AMENDMENT NO. 5
TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN M*MODAL SERVICES LTD AND
NATIVIDAD MEDICAL CENTER
FOR
Medical Dictation and Transcription Services**

This Renewal & Amendment No. 5 to Professional Services Agreement ("Agreement"), executed on March 24, 2008 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and M*Modal Services, Ltd. ("Contractor"), formerly JLG Medical Transcription Services, with respect to the following:

RECITALS

WHEREAS, NMC and Contractor entered into an Agreement for Contractor to provide medical dictation and transcription services for the term March 24, 2008 through March 31, 2011 and a total Agreement amount not to exceed \$1,800,000;and

WHEREAS, NMC and Contractor previously amended the Agreement to add services for an increase of \$122,000 and a revised total amount of \$1,922,000 with no change to the term via Amendment No. 1; and

WHEREAS, NMC and Contractor previously amended the Agreement to add services for an increase of \$77,126 and a revised total amount of \$1,999,126 with no change to the term via Amendment No. 2; and

WHEREAS, NMC and Contractor previously amended the Agreement to add services, acknowledge a rate change to the transcription services, and to extend the term of the Agreement through March 31, 2014 with an increase of \$2,000,000 and a revised total amount of \$3,999,126 via Amendment No. 3; and

WHEREAS, NMC and Contractor previously amended the Agreement to add services, acknowledge a rate change to the radiology report services, and to extend the Agreement term through June 30, 2015 with an increase of \$874 and a revised total amount of \$4,000,000 via Amendment No. 4; and

WHEREAS, the Agreement expired on June 30, 2015 and

WHEREAS, NMC and Contractor wish to renew and amend the Agreement retroactive to July 1, 2015 to extend the term end date for one additional year to allow for existing services to continue, to update the Business Associates Agreement, to update transcription and report rates, and with no change to the previously approved total Agreement amount of \$4,000,000.

AGREEMENT

NOW, THEREFORE, NMC and Contractor agree to renew and amend the Agreement as follows:

1. Section 2; "PAYMENTS BY NMC" shall be amended to the following:
"NMC shall pay the Contractor in accordance with the payment provisions set forth in Exhibit A of the Agreement and as per additional services and rate changes per Amendment No. 1, Amendment No.2, Amendment No.3, Amendment No.4 and this Renewal and Amendment No. 5. The total amount payable by County to CONTRACTOR under this Agreement (A-11123) shall not exceed the total sum of \$4,000,000 for the full term of the Agreement".


2. Section 3; "TERM OF AGREEMENT" shall be amended to the following:
"The term of this Agreement is March 24, 2008 through June 30, 2016 unless sooner terminated pursuant to this Agreement".
3. The "PAYMENT PROVISIONS" set forth in Section 1.1 of Exhibit A of the Agreement, inclusive of increases, shall remain in full force and effect during the extended Term as set forth above. Current pricing as of the effective date of this Amendment are as follows:

Domestic transcription labor	\$0.002911 per VBC w/ H&F
Global transcription and editing labor	\$0.002761 per VBC w/ H&F
Domestic editing labor on PACS	\$2.03 per Report
Radiology on PowerScribe	\$3.25 per Report
5. Exhibit C "HIPAA Business Associates Agreement" attached to the Agreement shall be replaced with the "Exhibit C Business Associates Agreement – Revised per Renewal & Amendment No. 5" that is attached hereto.
6. Except as provided herein, all remaining terms, conditions and provisions of the Agreement and of Amendment No. 1, Amendment No. 2, Amendment No. 3, and Amendment No. 4 are unchanged and unaffected by this Renewal and Amendment No. 5.
7. This Renewal & Amendment No. 5 is effective retroactive to July 1, 2015.
6. A copy of this Renewal & Amendment No. 5, along with all previous amendments shall be attached to the original Agreement (A-11123).

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto are in agreement with this Renewal & Amendment No. 5 on the basis set forth in this document and have executed this Renewal & Amendment No. 5 on the day and year set forth herein.

Natividad Medical Center

By: 
Gary R. Gray, CEO

Date: 12/15/15

APPROVED AS TO LEGAL PROVISIONS

By: 
Monterey County, Deputy County Counsel

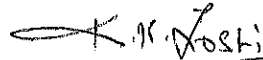
Date: 11-12-15

APPROVED AS TO FISCAL PROVISIONS

By: 
Monterey County Chief Deputy Auditor-Controller


Date: 11-13-15

M*Modal Services, Ltd.


Signature of Chair, President, or Vice-President

Kashyap Joshi, VP Finance
Name and Title

Date: 11/5/2015

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

David Woodworth, CFO
Name and Title

Date: 11/5/2015

***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 (two signatures required).

If Contractor is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If Contractor is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective the date fully executed by the parties ("Effective Date"), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and M*Modal Services, LTD ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules") to the extent applicable. This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("E PHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

1. DEFINITIONS

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement or the Underlying Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law , or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and 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 the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

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

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

(h) Business Associate provides interactive clinical documentation and Speech and Natural Language Understanding technology, medical transcription, and related health information services and products. Business Associate is not in the business of maintaining original records by or for Covered Entity and data maintained, if data is maintained, by Business Associate is a copy only and, as such, is not considered to be a part of Covered Entity's Designated Record Set.

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law

(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within five (5) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within five (5) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within sixty (60) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

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

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI to the extent permitted by law. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall reasonably cooperate with the Covered Entity in such challenge to the extent permitted by law;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

Except as provided for in the Underlying Agreement, the Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within five (5) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. This Section constitutes notice to Covered Entity of attempted but unsuccessful security incidents for which no additional notice to Covered Entity is required. For purposes of this Agreement, unsuccessful security incidents include activity such as pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denials of service, and any combination of the above, so long as no such incident results in unauthorized access, use, or disclosure of data.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R. § 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

4. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

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

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

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

If to Business Associate, to:

MModal Services, Ltd.
5000 Meridian Blvd.
Franklin, TN 37067
Attn: VP Legal Services/Legal Services
Phone: 615-261-1500 Fax: 615-261-1791

If to Covered Entity, to:

Natividad Medical Center
1441 Constitution Blvd.
Salinas, CA 93906
Attn: Contract Division
Phone: 831-755-4111
Fax: 831-757-2592

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

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

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA.

5.7 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage arising from any third party claim or government action and the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA alleging the County violated applicable laws to the extent such violation was caused by the negligence or wrongful acts or omissions Business Associate and/or its agents, members, employees, or sub-contractors in performance of its obligations under this BAA, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel, officers employees or agents of the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County.

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

MMODAL SERVICES, LTD.

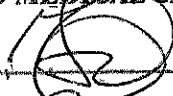
By: 

Print Name: David Woodworth

Print Title: CFO

Date: 11/5/2015

**COUNTY OF MONTEREY, ON BEHALF OF
NATIVIDAD MEDICAL CENTER**

By: 

Print Name: Gary R. Coe

Print Title: CEO

Date: 10/15/15