

**AMENDMENT NO. 1**  
**To**  
**Affiliation Agreement**  
**By and between**  
**Monterey County Health Department and Clinica de Salud del Valle de Salinas**

This Amendment No. 1 is made and entered into, by and between the Monterey County Health Department, hereinafter referred to as “County”, and Clinica de Salud del Valle de Salinas, hereinafter referred to as “CSVS”.

WHEREAS, the County and CSVS have heretofore entered into an Agreement for a term beginning January 1, 2011 (“Agreement”); and

WHEREAS, the County and CSVS wish to amend the Agreement as specified below.

NOW THEREFORE, the County and CSVS hereby agree to amend the Agreement, as follows:

1. Add the following to Section 9.0

“Federally Qualified Health Center Look-alike (FQHC-LA) clinics are required by the Health Resources and Services Agency (HRSA) Under Section 330(k) (3) (G) of the PHS Act and 42 CFR Part 51c.303 (f) to prepare a schedule of fees or payments for the provision of its services consistent with locally prevailing rates or changes and designed to cover its reasonable costs of operation.

Sliding Scale Discount Fees shall be available for patients who are uninsured or underinsured and are at or below 200% of the Federal Poverty Level to assist with the costs of their care.

Individuals and families who are at or below 200% will be offered the discount based on their income and family size. Underinsured individuals who have or are eligible for public or private health insurance also qualify for the SFDS based on income and family size. These underinsured individuals may not pay more than uninsured patients in the same income category.”

2. Add the following to Section 10.0:

10.1 “COUNTY shall defend, indemnify and hold CSVS, its officers, employees, agents, harmless from and against any and all liability, loss, expense (including reasonable attorneys’ fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent that such liability, loss, expense attorneys’ fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of COUNTY, its officer, employees, or agents.”

10.2 “CSVS shall defend, indemnify and hold COUNTY, its officers, employees, agents, harmless from and against any and all liability, loss, expense (including reasonable attorneys’ fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent that such liability, loss, expense attorneys’ fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of COUNTY, its officer, employees, or agents.”

3. Add the following to Section 11.0:

11.1 “Each party, at its sole cost and expense, shall insure its activities in connection with this AGREEMENT, and shall obtain, keep in force and maintain insurance as follows:

**11.1.1 Professional Medical/Dental Liability Insurance or Self-Insurance.**

Each party shall maintain insurance or a self-insurance program with financially-sound and reputable companies; each party shall care healthcare entity comprehensive liability coverage with minimum limits of \$1 Million (\$1,000,000) per occurrence and general aggregate of \$3 Million (\$3,000,000). If such insurance is written on a claims-made form, it shall continue for three (3) years following termination of this AGREEMENT. The insurance shall have a retroactive date prior to coinciding with the effective date of this AGREEMENT. In the event that a claims-made policy is canceled or non-renewed, then each party shall obtain extended reporting (tail) coverage for the remainder of the three (3) year period. At any time during the term of this Agreement, if CSVS is not covered under the Federal Tort Claims Act (“FTCA”), CSVS shall obtain and maintain, at CSVS sole cost and expense, professional liability insurance covering CSVS and its employees in the minimum amount of One Million Dollars (\$1,000,000) for each occurrence and Three Million Dollars (\$3,000,000) in the aggregate per year. Such insurance shall be primary with respect to covering the acts and omissions of CSVS employees.

Notwithstanding the foregoing, the above insurance requirements in this subsection 11.1.1 shall be deemed satisfied by CSVS for so long as CSVS continues to be deemed a covered entity under Section 224(a) of the Public Health Services Act entitled to liability protection under the FTCA, or under alternative benefits provided by the United States where the availability of such benefits precludes a remedy under the FTCA. CSVS represents and warrants that FTCA coverage is occurrence-based coverage.

**11.1.2 General Liability Insurance** with minimum limits of \$3,000,000 each occurrence and a general aggregate of at least \$5 Million (\$5,000,000). If such insurance is written on a claims-made form, it shall continue for three years following termination of this AGREEMENT. The insurance shall have a retroactive date prior to or coinciding with the effective date of this AGREEMENT.

**11.1.3 Workers’ Compensation Insurance** in a form and amount covering each party’s full liability as required by law under the Workers’ Compensation Insurance and Safety Act of the State of California, as amended from time to time.

11.2 It should be expressly understood, however, that the coverage's required under this AGREEMENT shall not in any way limit the liability or indemnity obligation of either party.

11.3 Prior to the execution of the Amendment, each party shall furnish the other party with Certificates of Insurance evidencing compliance with all requirements. Certificates shall further provide for thirty (30) day's advance written notice to the other party of any modification, change or cancellation of any of the above insurance coverage's."

4. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the Agreement.
5. A Copy of this Amendment No. 1 shall be attached to the Agreement.
6. The effective date of this Amendment No. 1 is December 16, 2014.

**COUNTY OF MONTEREY**

By: [Signature]  
Ray Bullick, Director of Health  
Department of Health

Date: 12/11/14

Approved as to Legal Form:

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

Date: 12/15/14

Approved as to Fiscal Provisions:

By: \_\_\_\_\_  
Gary Giboney, Auditor-Controller

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

By: \_\_\_\_\_  
Mike Derr, Contracts/Purchasing Officer

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

**CONTRACTOR**

By: [Signature]

Name: Maximiliano Cuevas, MD

Title: Chief Executive Officer

Date: 12-8-2014