

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

This Agreement for Services (hereinafter "Agreement") is made by and between the County of Monterey, (hereinafter, "the County"), on behalf of Natividad Medical Center ("NMC"), and **Quality Assurance Services Inc.** (hereinafter "CONTRACTOR").

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

1. **GENERAL DESCRIPTION OF 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: **Radiation Physics and Performance Testing Services of Radiology Equipment at NMC**

2. **PAYMENTS BY NMC.** NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of **\$107,270**.

3. **TERM OF AGREEMENT.**

3.1. The term of this Agreement is **Retroactive July 1, 2014 through June 30, 2017** 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.

3.2. NMC reserves the right to cancel this Agreement, or an extension of this Agreement, without cause, with a thirty (30) day written notice, or with cause immediately.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A: Scope of Services and Pricing Sheet

Exhibit B: Insurance Modification Justification

5. **PERFORMANCE STANDARDS.**

5.1. CONTRACTOR warrants that CONTRACTOR and Contractor's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of NMC, or immediate family of an employee of NMC.

5.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed

under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use NMC premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provide in this paragraph. NMC does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety (90) days prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (NMC) and the CONTRACTOR.

6.3. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement, and then only in accordance with the County of Monterey Travel Policy.

6.4. Invoices shall be billed directly to the ordering department.

6.5. CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. NMC 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.

7. TERMINATION.

7.1. During the term of this Agreement, NMC may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

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

7.3 NMC's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for NMC's purchase of the indicated quantity of services, then NMC may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8. INDEMNIFICATION.

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

9. INSURANCE.

9.1 Evidence of Coverage:

Prior to commencement of this Agreement, 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, CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to NMC's Contracts Division, unless otherwise directed. 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 CONTRACTOR.

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

9.3 Insurance Coverage Requirements: Without limiting Contractor's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed



Operations, with a combined single limit for Bodily Injury and Property Damage of not less than ~~\$1,000,000~~ per occurrence.

\$300,000



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

Existing Policy

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



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

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



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

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



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

9.4 Other 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.

9/5

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 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 CONTRACTOR has in effect the insurance required by this Agreement. CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

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

10. RECORDS AND CONFIDENTIALITY.

- 10.1 **Confidentiality.** CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from NMC or prepared in connection with the performance of this Agreement, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to NMC any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.
- 10.2 **NMC Records.** When this Agreement expires or terminates, CONTRACTOR shall return to NMC any NMC records which CONTRACTOR used or received from NMC to perform services under this Agreement.
- 10.3 **Maintenance of Records.** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any

litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

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

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

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

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

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



from any and all liability, which NMC may incur because of CONTRACTOR's failure to pay such taxes.

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

FOR NMC:

Natividad Medical Center
Attn: Contracts Division/Materials Management
1441 Constitution Blvd.
Salinas, CA 93906
Phone: (831) 755-4111
Email: _____

FOR CONTRACTOR:

Name: Glenn Deacon
Title: Vice President
Company: Quality Assurance Services, Inc.
Address 1: 1500 Via Hacienda
Address 2: Chula Vista, CA 91913
Phone: 619-482-1003
FAX: 619-421-7670
Email: glenn.qas@gmail.com

15. MISCELLANEOUS PROVISIONS.

- 15.1 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.
- 15.2 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by NMC and CONTRACTOR.
- 15.3 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by NMC and CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 15.4 **Contractor:** The term "Contractor" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.
- 15.5 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 15.6 **Assignment and Subcontracting:** CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of NMC. None of the services covered by this Agreement shall be subcontracted without the prior written approval of NMC. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.



- 15.7 Successors and Assigns: This Agreement and the rights, privileges, duties, and obligations of NMC and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 15.8 Compliance with Applicable Law: The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.9 Headings: The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10 Time is of the Essence: Time is of the essence in each and all of the provisions of this Agreement
- 15.11 Governing Law: This Agreement shall be governed by and interpreted under the laws of the State of California.
- 15.12 Non-exclusive Agreement: This Agreement is non-exclusive and each of NMC and CONTRACTOR expressly reserves the right to contract with other entities for the same or similar services.
- 15.13 Construction of Agreement: NMC and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 15.14 Counterparts: This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 15.15 Authority. Any individual executing this Agreement on behalf of the County or CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 15.16 Integration: This Agreement, including the exhibits, represents the entire Agreement between NMC and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations representations, or agreements, either written or oral, between NMC and CONTRACTOR as of the effective date of this Agreement, which is the date that NMC signs the Agreement.
- 15.17 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.



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

NATIVIDAD MEDICAL CENTER

CONTRACTOR

By: [Signature]
Kelly O'Keefe, MD., PhD, FCAP, Interim CEO

Quality Assurance Services, Inc.
Contractor's Business Name*** (see instructions)

Date: 2/11/15

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

Susan Deacon, President
Name and Title

APPROVED AS TO LEGAL PROVISIONS

By: [Signature]
Deputy County Counsel

Date: 1/13/15

Date: 2-9-15

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

APPROVED AS TO FISCAL PROVISIONS

By: [Signature]
Gary Giboney,
Deputy Auditor/Controller

Glenn Deacon, Secretary
Name and Title

Date: 2-9-15

Date: 1/13/15

*****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 an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

EXHIBIT A SCOPE OF WORK

A. Conduct annual physics testing of the equipment that is listed on Appendix A attached hereto. QAS shall provide all test equipment and all phantoms required to conduct the annual physics and performance testing. All physics and performance testing shall meet the general requirements of 17 CCR, 21 CFR, JCAHO, and the ACR, and provide informal reports.

1. For equipment that is ACR Accredited, QAS shall provide those ACR phantoms for the annual physics and performance testing necessary to maintain ACR Accreditation, except that ACR- accredited facilities for MRI, CT and Mammography are required by the ACR have their own phantom quality checks conducted daily, weekly and/or monthly as specified per modality.
2. For equipment that is not ACR Accredited, or for equipment that requires ACR renewal, QAS shall provide those ACR phantoms for the initial or renewal accreditation physics and performance testing necessary to obtain and/or renew ACR Accreditation.

B. QAS shall audit the Radiation Safety Program for the Nuclear Medicine group, consisting of, at a minimum, one (1) Annual on-site Audit which complies with the requirements of 10 CFR 20.1101 (c) and three (3) additional Quarterly on-site reviews, to include:

1. review and update the Radioactive Materials License;
2. review and update Radiation Safety Policies and Procedures;
3. review and replace (if needed) required Radiation Safety Signs and Postings;
4. one (1) to two (2) hours of Annual Radiation Safety Refresher training (on-site, NMC), for NMC employees as appropriate, and as requested;
5. calibrate up to five (5) radiation detection instruments, to be sent to QAS San Diego, CA facility, using NIST-traceable sources and provide appropriate calibration stickers and certificates;
6. conduct the quarterly sealed source inventory;
7. conduct the quarterly sealed source leak tests;
8. conduct the quarterly dose calibrator linearity tests;
9. conduct the annual dose calibrator accuracy test;
10. attendance by a Qualified Medical Physicist at the Radiation Safety Committee meetings (no travel reimbursements) provided the meetings are scheduled to coincide with the Physicist quarterly audit visits (on-site, NMC)

C. QAS shall assist with the radioactive materials license renewal and amendments, and other regulatory requirements, as requested by the Director of Imaging Services.

QAS shall ensure that all equipment testing and other work shall be under the general supervision of a Qualified Medical Physicist who is Board Certified by the American Board of Radiology (ABR) in the field of Medical Diagnostic Physics.



Quality Assurance Services, Inc. Agreement: Appendix A to Exhibit A

ANNUAL IMAGING EQUIPMENT TESTING AND ACR-MANDATED EQUIPMENT PHYSICIST QC TESTING

Total estimated Costs for 2015:	\$26,090
Total estimated Costs for 2016:	\$26,090
Total estimated Costs for 2017:	\$55,090

\$107,270 Total amount of Agreement

BREAKDOWN OF ANNUAL TESTING COSTS FOR 2015, 2016, 2017 ESTIMATED:

	Imaging Equipment Types to be tested													Twice yrly	Subtotal
	Rad	R&F	Cath or Cysto or IR	Portable	Carm	Mini Carm	Deaa	Digital Mammo	CT	Meetings	Gamma Camera	MRI	U/S		
Possible number of tests:	3	1	1	3	2	1	1	1	2	4	1	1	8		
Cost per EACH Test	\$775	\$475	\$375	\$775	\$775	\$200	\$100	\$1,795	\$1,795	\$1,000	\$2,500	\$1,595	\$595		
Potential total Cost:	\$ 825.00	\$ 475.00	\$ 375.00	\$ 675.00	\$ 550.00	\$ 200.00	\$ 100.00	\$ 1,795.00	\$ 3,590.00	\$ 4,000.00	\$ 2,500.00	\$ 1,595.00	\$ 4,760.00		\$21440
Note:	This includes the QC for the ultrasound units twice per year and also the gamma camera twice per year to comply with ACR. It also includes the Physician Reading Monitors once JCAHO implements their new standards in July 2016.														

ACR requires annual testing of imaging equipment, QAS to spread out testing throughout the year. The equipment testing charts herein are subject to change based on changes to equipment types and volume. If a piece of equipment passes a test on the first testing then no additional tests will be needed but if it fails repeat tests will be performed. This explains why there could be more than 1 test for each piece of equipment listed. QAS to bill NMC everytime a test is performed.

One-time per year License Fee:	
Radioactive Materials License Renewal:	\$2,000

Hourly Rate for other Services:	\$265	\$2,650	(10 hours estimated annually)
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ACR RENEWAL FEES:

Possible number of tests:	Repeat Testing Fee Schedule for ACR Equipment Accreditation Renewal				Subtotal	ACR Accreditation Turnkey Support				Subtotal
	CT	MRI	Nuclear	Ultrasound		CT	MRI	Nuclear	Ultrasound	
3	3	3	3	1		1	1	1	1	
	\$1,500	\$1,500	\$1,500	\$500		\$5,000	\$5,000	\$5,000	\$5,000	
	4500	4500	4500	500	\$ 14,000	(\$15,000 total if all are selected at one time)				\$ 15,000

Agreement with Quality Assurance Services, Inc.
Term: Feb. 1, 2014 through June 30, 2017
Total Agreement NTC \$1,227,000

**EXHIBIT B
NATIVIDAD MEDICAL CENTER
INSURANCE MODIFICATION JUSTIFICATION**

Vendor/Contractor Name: Quality Assurance Services, Inc.
Services Description: Radiation Physics and Performance Testing

Business Automobile Liability Insurance Requirements

Business Automobile Liability Insurance requirements are not waived for CONTRACTOR. However, CONTRACTOR's thresholds for the automobile policy limits are less than the limits stated in the Agreement because CONTRACTOR only has his/her own personal vehicle for use with a personal automobile insurance policy that has lower thresholds. Therefore, CONTRACTOR shall provide "Commercial Auto Declaration" certificate with a liability limit of \$300,000 for Bodily Injury Liability and \$100,000 for Property Damage Liability per occurrence.