M Natividad MEDICAL CENTER

County of Monterey Agreement for Services (Not to Exceed \$200,000)

This Agreement (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the State of California, for the provision of services for Natividad Medical Center, an acute care hospital ("COUNTY"), and Executive Consulting Group, LLC dba ECG Management Consultants, a Delaware LLC hereinafter "CONTRACTOR (collectively, COUNTY and CONTRACTOR are referred to as the "Parties.").

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

GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED; COUNTY hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in conformity with the terms of the Agreement. The services are generally described as follows: CV Service Line Strategy, Coding & Billing Review

PAYMENTS BY COUNTY; COUNTY 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 COUNTY to CONTRACTOR under this Agreement shall not exceed the sum of \$115,000 .

TERM OF AGREEMENT; the term of this Agreement is from May 1, 2025 through unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and COUNTY and with COUNTY signing last and CONTRACTOR may not commence work before COUNTY signs this Agreement.

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

SCOPE OF SERVICES AND ADDITIONAL PROVISIONS/EXHIBITS; the following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A: Scope of Services/Payment Provisions

Addendum No. 1 to Agreement Business Associates Agreement

Addendum No. 1 to Business Associates Agreement

1. PERFORMANCE STANDARDS:

- 1.1. 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 COUNTY, or immediate family of an employee of COUNTY.
- 1.2. 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.
- 1.3. 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 COUNTY premises, property (including equipment, instruments, or

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

2. PAYMENT CONDITIONS:

- 2.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided herein. COUNTY (Monterey County) does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.
- 2.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (COUNTY) and the CONTRACTOR.
- 2.3. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to COUNTY. 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 7/7/2025 | 2:05 provoice 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 COUNTY 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.
 - 2.4. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

3. **TERMINATION:**

- 3.1. During the term of this Agreement, COUNTY 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.
- 3.2. COUNTY 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 COUNTY terminates 7/7/2025 | 2:05 PNLPDT agreement for good cause, COUNTY may be relieved of the payment of any consideration to Contractor, and COUNTY may proceed with the work in any manner, which COUNTY deems proper. The cost to COUNTY shall be deducted from any sum due the CONTRACTOR under this Agreement.

4. INDEMNIFICATION:

4.1. CONTRACTOR shall indemnify, defend, and hold harmless COUNTY (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 agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the COUNTY. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the COUNTY. The CONTRACTOR shall reimburse the COUNTY 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 the COUNTY under this Agreement.

5. **INSURANCE:**

5.1. Evidence of Coverage:

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Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

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

- 5.2. <u>Qualifying Insurers</u>: 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 Natividad's Contracts Department Manager.
- 5.3. <u>Insurance Coverage Requirements:</u> 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:
- 5.4. <u>Commercial General Liability Insurance</u>, 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.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

5.5. <u>Business Automobile Liability Insurance</u>, 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.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

- Exemption/Modification (Justification attached; subject to approval)
- 5.6. 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.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

- Exemption/Modification (Justification attached; subject to approval)
- 5.7. <u>Professional Liability Insurance</u>, 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.

6. Other Insurance Requirements:

- 6.1. All insurance required by this Agreement shall be with a company acceptable to COUNTY 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.
- 6.2. Each liability policy shall provide that COUNTY 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.
- 6.3. 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 COUNTY and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by CONTRACTOR's insurance.
- 6.4. Prior to the execution of this Agreement by COUNTY, CONTRACTOR shall file certificates of insurance with Natividad's Contracts 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 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.
- 6.5. 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 COUNTY, annual certificates to Natividad's Contracts Department. If the certificate is not received by the expiration date, COUNTY 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 COUNTY, at its sole discretion, to terminate the Agreement immediately.

7. RECORDS AND CONFIDENTIALITY:

7.1. 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 COUNTY or prepared in connection with the performance of this Agreement, unless COUNTY specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure

- 7.2. <u>COUNTY Records</u>. When this Agreement expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from COUNTY to perform services under this Agreement.
- 7.3. 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.
- 7.4. Access to and Audit of Records: COUNTY 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 or \$10,000, the parties to this Agreement may be subject, at the request of COUNTY or as part of any audit of COUNTY, 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.
- 8. Royalties and Inventions: COUNTY shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, writings, sound recordings, pictorial reproductions, 2:0 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 COUNTY.
- 9. 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.
- 10. Compliance with Terms of State or Federal Grant: If this Agreement has been or will be funded with monies received by COUNTY pursuant to a contract with the state or federal government in which COUNTY 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, COUNTY will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.
- 11. 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 COUNTY. No offer or obligation of permanent employment with COUNTY 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 COUNTY 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 COUNTY and the County of

7/7/2025 |

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

CONTDACTOD.

12. <u>Notices:</u> Notices required under this Agreement shall be delivered personally or by first-class, postage perpaid mail to COUNTY and CONTRACTOR's contract administrators at the addresses listed below.

NATIVIDAD MEDICAL CENTER:

Natividad Medical Center Attn: Contracts Division Natividad Medical Center 1441Constitution Blvd Salinas, CA. 93906 FAX: 831-757-2592

CONTRACTOR.		
Benjamin Colton		
Name:		
Attn:		
11455 El Camino Real, Suite 360 Address:		
San Diego, CA 92130 City, State, Zip:		
FAX:		
bcolton@ecgmc.com Email:		

MISCELLANEOUS PROVISIONS:

- 13.1 <u>Conflict of Interest.</u> 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.
- 13.2 <u>Amendment</u>. This Agreement may be amended or modified only by an instrument in writing signed by COUNTY and the Contractor.
- 13.3 <u>Waiver</u>. Any waiver of any terms and conditions of this Agreement must be in writing and signed by COUNTY 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.
- 13.4 <u>Contractor</u>. 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.
- 13.5 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 13.6 <u>Assignment and Subcontracting</u>. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of COUNTY. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 13.7 <u>Successors and Assigns</u>. This Agreement and the rights, privileges, duties, and obligations of COUNTY 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.

- 13.8 <u>Compliance with Applicable Law</u>. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 13.9 <u>Headings</u>. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 13.10 <u>Time is of the Essence</u>. Time is of the essence in each and all of the provisions of this Agreement.
- 13.11 <u>Governing Law</u>. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 13.12 <u>Non-exclusive Agreement</u>. This Agreement is non-exclusive and both COUNTY and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 13.13 Construction of Agreement. COUNTY 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.
- 13.14 <u>Counterparts</u>. 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.
- 13.15 <u>Integration</u>. This Agreement, including the exhibits, represents the entire Agreement between COUNTY 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 COUNTY and CONTRACTOR as of the effective date of this Agreement, which is the date that COUNTY signs the Agreement.
- 13.16 <u>Interpretation of Conflicting Provisions</u>. 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.

Signature Page to follow

COUNTY OF MONTEREY, FOR THE PROVISION OF SERVICES FOR NATIVIDAD MEDICAL CENTER

By:		
Charles R. Harris, CEO Natividad		
Date:		
APPROVED AS TO LEGAL PROVISIONS		
By: Signed by: Stay Satta 6966D21D4464341D Monterey County Deputy County Counsel		
Date:		
APPROVED AS TO FISCAL PROVISIONS		
By: Monterey County Deputy Auditor/Controller		
7/14/2025 11:38 AM DDT		

CONTRACTOR

Executive Consulting Group, LLC dba ECG Management Consultants, a Delaware LL		
Contractor's Business Name*	** (see instructions)	
	w Bachrodt	
Signature of Chair, President,	or Vice-President	
Andrew Bachrodt	Partner	
Name and Title		
7/7/2025 Date:	2:05 PM PDT	
1/06/	amin Colton	
(Signature of Secretary, A or Asst. Treasurer)	Asst. Secretary, CFO, Treasurer	
Benjamin Colton	Partner	
Name and Title		
Date: 7/11/2025 9:4	2 AM PDT	

***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).

Exhibit A: Scope of Services/ Payment Provisions

I. Description of All Services to be Rendered by CONTRACTOR:

ECG Management Consultants will assist Natividad with continued planning for expansion of the cardiovascular (CV) service line to include elective interventional cariology procedures, EP, PCI, (Component A) or other services and an evaluation of coding and billing for the cardiologists which will include on-site cardiology coding and billing processes (Component B). ECG will provide a summary of findings and recommendations, written audit reports for each audit group, with a case-by-case write-up of the encounters reviewed, including a summary table of the errors itemized by patient and subtotaled by provider, a written description of all documentation and/or coding errors and an explanation of our code selection, an estimate of the financial impact of the coding inaccuracies and an education session presentation.

II. CONTRACTOR Obligations:

Component A: Service Line Strategy

Task One: Review, Validate, and Summarize Findings of Prior Assessment

CFA delivered a preliminary report to Natividad that details the current state of the service line, market size/opportunity, and preliminary thoughts on potential expansion of services. This report was not formally delivered to the Natividad team, however, and the overall findings require validation and summarization to ensure Natividad can act on the opportunity detailed in the report. To accomplish this, ECG will perform the following:

- Review the full report from CFA.
- Validate the market sizing and overall findings in the report by researching the data elements already detailed.
- Bring in additional benchmarks and analyses to round out the analysis as needed.
- Summarize the report from CFA by developing a concise presentation, and present findings to Natividad CV service line leadership team.

Task Two: Conduct a Benchmark Analysis of CV Provider Productivity

A key task in more fully understanding the current state of the CV service line at Natividad is determining how the practice patterns of its current providers compare to

benchmark. This will help Natividad understand if there is opportunity for enhanced revenue through adjustments to current billing practices, and it will also inform if there are opportunities to enhance clinical offerings to better serve CV patients. In support of this task, ECG will:

- Gather current provider productivity data, including all professional services billed.
- Benchmark productivity data against ECG's physician compensation survey.
- Identify areas of similarity and difference between Natividad provider practice patterns against expected practice profiles nationally.

Task Three: Develop Strategic Options for CV Service Line Expansion

In addition to summarizing the report previously developed by CFA, ECG will expand on the recommendations in that report to establish a set of strategic options for Natividad. In support of this task, ECG will:

- Utilize ECG's CV service line framework to describe the opportunities and challenges facing Natividad.
- Conduct a qualitative cost-benefit analysis of two or three strategic options for Natividad to consider.
- Deliver an executive summary presentation to Natividad CV service line leaders to chart strategic next steps.

Component B: Coding and Billing Review

Task One: Review Background Materials

Prior to initiating this component, we will issue an information request and work with you to collect and review all relevant background data. Examples of this information include:

- A list of providers (partners and non-partners) that includes subspecialty, full-time equivalent status, and tenure with the group.
- Physician CPT data.
- Financial and other statistical reports for the two most recent fiscal years, including revenue cycle and denials information.
- Organizational charts and staffing information related to coding and revenue cycle functions.
- A list of available revenue cycle and coding technology.

Task Two: Interview Stakeholders

In conjunction with our review of background materials, we will interview key leaders, including physicians and management, to gain an understanding of their perceptions of:

- Expectations related to compliance and physician engagement in the coding process.
- Issues and opportunities in the use of technology as it relates to coding, documentation, and charge submission.
- Potential factors that may impede improvements in performance.
- Preferences related to education and attendant learning styles.

Task Three: Assess Coding and Billing Operations

We will spend approximately two days on-site conducting operational walk-throughs of cardiology coding and billing processes, performed by the providers, as well as any relevant support functions (e.g., centralized coding). Workflows that will be evaluated include, but may not be limited to:

- Documentation.
- Charge review and abstraction.
- Charge capture and data entry.
- Prebill edit resolution.
- Denials management.
- Audit and education.

While performing the walk-throughs, we will consider the following:

- Consistency and adherence to documented policies and procedures
- Effectiveness of operations and utilization of existing technologies (e.g., use of work queues, National Correct Coding Initiative edits, system interfaces)
- Linkage of the centralized coding team, clinic staff, providers, department staff, and compliance/audit staff, as well as the effectiveness of the communications among the groups (e.g., feedback loops)
- Operation/process control points and associated management tools for measuring performance and addressing backlogs

Task Four: Complete a Charge Capture Audit

We will evaluate two nonconsecutive weeks of arrived visits and validate whether there are billed charges within the system for those patients. We will also review open encounter reports, outstanding physician query reports, write-off reports, and other documents that may help explain any variance between arrived visits and billed charges.

Task Five: Complete a Documentation and Coding Audit

Using a representative sample of accounts (10 E&M visits and 10 procedural cases per provider, for a total of 120 encounters), ECG will first code each encounter. We will then prepare an individual, case-by-case coding analysis that will compare the original

procedure coding, modifier application, and diagnostic coding to our recommended coding of the same elements. Additionally, we will identify documentation deficiencies or other issues that can be modified to improve the quality of the medical records and potentially offer additional revenue capture opportunity. Audits will be completed using Medicare rules, unless Natividad instructs us to utilize payer specific guidelines for select cases.

Upon delivery of the audit findings, we will give Natividad the opportunity to provide a rebuttal for any cases you may disagree with using our standard template. The rebuttals will be reviewed and considered by the originating auditor and addressed, as appropriate.

Task Six: Validate Findings and Summarize Current-State Opportunities

After we have completed the diagnostic tasks described above, ECG will prepare a brief assessment of Natividad's cardiology professional fee coding and billing, including our major findings and recommendations for current-state operations. We will then meet with key stakeholders to review and validate these findings.

Task Seven: Provide an Education Session to Cardiologists

Subsequent to the approval of ECG's findings and recommendations, we will prepare and deliver an educational session to the cardiologists and relevant support staff that will include guidance on documentation standards, proper coding, and effective charge controls and reconciliation. As necessary and at an additional cost, we are also available to provide one-on-one training sessions with the physicians regarding the results of their individual audits.

III. County Obligations:

- County agrees to the delivery of necessary data for ECG to conduct analyses and outputs for the project.
- County agrees to make availability of staff, executives, and providers to participate in interviews, steering committee meetings, or other necessary meetings.

IV. Pricing/Fees:

 ECG charges for services based on the professional fees and project-related expenses incurred. Professional fees will be determined by the actual hours worked on the engagement at ECG's standard hourly rates. Based on the understanding of the needed services, total professional fees will not exceed \$100,000 as outlined below:

- Component A, Service Line Strategy: \$40,000
- Component B, Coding and Billing Review: \$60,000
- ECG's standard hourly rates are based on the level of individual consultant, as indicated below:
 - Partner \$840
 - Principal \$630
 - Associate Principal \$610
 - Senior Manager \$590
 - o Manager \$475
 - Senior Consultant \$390
 - Consultant \$340
- Project-related expenses will be billed in addition to professional fees. These
 expenses include and (2) a charge of 5% of professional fees for all other expenses,
 including document production and indirect administrative expenses such as
 technology, research and benchmarking databases, and communications. Projectrelated expenses are expected to be approximately 10% to 15% of professional fees.
- County and CONTRACTOR agree that CONTRACTOR shall be reimbursed for travel expenses during this Agreement. CONTRACTOR shall receive compensation for travel expenses as per the *Monterey County Travel and Business Expense Reimbursement Policy*. A copy of the policy is available online at https://www.co.monterey.ca.us/government/departments-a-h/auditor-controller/disbursements To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.
- CONTRACTOR warrants that the cost charged for services under the terms of this
 contract are not more than those charged any other client for the same services
 performed by the same individuals.
- Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.
- County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.
 - No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

ADDENDUM NO. 1

TO AGREEMENT BY AND BETWEEN EXECUTIVE CONSULTING GROUP, LLC, D/B/A ECG MANAGEMENT CONSULTANTS A DELAWARE LLC, AND THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER FOR CV SERVICE LINE STRATEGY, CODING AND BILLING REVIEW SERVICES

This Addendum No. 1 amends, modifies, and supplements the County of Monterey Agreement for Services (hereinafter "Agreement") by and between Executive Consulting Group, LLC, d/b/a ECG Management Consultants, a Delaware LLC, (hereinafter "CONTRACTOR") and the County of Monterey, on behalf of Natividad Medical Center (hereinafter "NMC"). This Addendum #1 has the full force and effect as if set forth within the Terms. To the extent that any of the terms or conditions contained in this Addendum #1 may contradict or conflict with any of the terms and conditions of the Agreement, it is expressly understood and agreed that the terms and conditions of this Addendum #1 shall take precedence and supersede the attached Agreement.

NOW, THEREFORE, NMC and CONTRACTOR agree that the Agreement terms and conditions shall be amended, modified, and supplemented as follows:

I. Section 2.3, PAYMENT CONDITIONS. Section 2.3 is hereby deleted in its entirety and replaced with the following:

CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to COUNTY. If not otherwise specified, the CONTRACTOR may submit such invoice monthly, with the final invoice provided not later than 90 days after completion of the 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 COUNTY 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.

II. Section 3.2, TERMINATION. Section 3.2 is hereby deleted in its entirety and replaced with the following:

COUNTY may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good Cause" include the failure of CONTRACTOR to perform the require services at the time and in the manner provided under this Agreement.

III. Section 5.1, INSURANCE. Section 5.1 is hereby deleted in its entirety and replaced with the following:

<u>Evidence of Coverage</u>: Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as require herein has been obtained. Individual endorsements as required by this Agreement and executed by the insurance carrier shall accompany the certificate.

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

IV. Section 8, ROYALTIES AND INVENTIONS. Section 8 is hereby deleted in its entirety and replaced with the following:

Work Product and Contractor Data. All deliverables and any final reports provided to COUNTY shall belong to COUNTY and shall not be provided by CONTRACTOR to any other entity. CONTRACTOR retains full ownership of its data and information, including, without limitation, playbooks, pricing information (excluding the pricing in this Agreement and in any amendments thereto) and commercial strategies, technical know-how and trade secrets, supplier information, notes, analyses, compilations, forecasts, studies, work product, data, and other materials prepared by CONTRACTOR ("Contractor Data") but not any information provided by COUNTY. CONTRACTOR grants COUNTY a fully paid up, irrevocable, perpetual, non-royalty bearing, nonexclusive, non-transferable license, which is sublicensable only to affiliates of COUNTY, to use any of the Contractor Data provided by CONTRACTOR to COUNTY as part of the Services. COUNTY acknowledges that in the course of this engagement CONTRACTOR may provide third-party data that is used under license by CONTRACTOR. No sublicense is created by the inclusion of this data in CONTRACTOR documents, and COUNTY agrees that this data is for COUNTY's use only in connection with the Services and may not be used for any other purposes or shared with third parties other than affiliate of COUNTY.

<u>Use of Contractor Data and Work Product</u>. The Services and all deliverables are intended solely for internal use by COUNTY and its affiliates and may not be used or

referred to in any offering statement, purchase or financing agreement, or other documents without approval in writing from CONTRACTOR. Depending on the proposed use, such approval may require additional work and associated expenses.

V. Section 13.17 MISCELLANEOUS PROVISIONS. Section 13.19 is hereby added:

Limitation of Liability. EXCEPT FOR THE INDEMNITY OBLIGATIONS UNDER THIS AGREEMENT, A) NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY OR TO ANY THIRD PARTY FOR ANY INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND (B) EACH PARTY'S AGGREGATE LIABILITY TO THE OTHER PARTY FOR ALL DAMAGES, LOSSES, AND CAUSES OF ACTION (WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE) SHALL NOT EXCEED THE GREATER OF \$100,000 OR TWO TIMES THE TOTAL FEED PAID FOR THE SERVICES UNDER THIS AGREEMENT.

Signature page to follow.

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Addendum No.1 on the basis set forth in this document and have executed this Addendum No. 1 the day and year set forth herein.

Natividad Medical Center	Executive Consulting Group, LLC
	d/b/a ECG Management Consultants
Charles R. Harris, Interim CEO	Docusigned by: Andrew Bachrold 5051DC21B1DB437 Signature of Chair, President or Vice-President
Date	Andrew Bachrodt Partner
	Printed Name and Title 7/7/2025 2:05 PM PDT
Approved as to Legal Provisions: Signed by:	Date
Monterey County Deputy County Counsel 7/14/2025 8:55 AM PDT	Signed by: Benjamin Colton 17D078E53ED423
Date	Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer Benjamin Colton Partner
Approved as to Fiscal provisions: Docusigned by: Patricia Ruiy	Printed Name and Title 7/11/2025 9:42 AM PDT
Monterey County Chief-Deputy Auditor-Controller 7/14/2025 11:38 AM PDT Date	Date Signature Instructions For 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).

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective May 1, , 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Executive Consulting Group, LLC dba ECG Management Consultants, a Delaware LLC ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

- A. WHEREAS, Business Associate provides certain Services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.
- B. WHEREAS, The Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C (the "Security Rule"), (collectively "HIPAA"), all as amended from time to time.
- C. WHEREAS, The Parties are also committed to complying with the California Confidentiality Laws (defined below).
- D. WHEREAS, To the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, 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").
- E. WHEREAS, The Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA, sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirement.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. <u>DEFINITIONS</u>

- 1.1 All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in the Privacy Rule, the Breach Notification Rule, or the Security Rule.
- (a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402 and shall mean the access, acquisition, Use, or Disclosure of PHI in a manner not permitted under the Privacy Rule that compromises the privacy or security of the PHI; the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code §1798.29.
- (b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality of PHI or Personal Information, including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code §56, et seq.), the patient access law (Cal. Health & Safety Code §123100 et seq.), the HIV test result confidentiality law (Cal. Health & Safety Code §120975, et seq.), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code §5328, et seq.), and the medical identity theft law (Cal. Civil Code 1798.29).
- (c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental 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; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individuals, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. **PHI includes EPHI**.
- (d) "Services" shall mean the services for or functions on behalf of Covered Entity performed by Business Associate pursuant to a Services Agreement between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

- (a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws;
- (b) Use or Disclose PHI for the purposes authorized by this BAA or as otherwise Required by Law;
- (c) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

- (d) Use PHI if necessary for the 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 PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as 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 person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that 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); and
- (g) De-identify any PHI obtained by Business Associate under this BAA in accordance with 45 C.F.R. § 164.514 and Use or Disclose such de-identified information only as required to provide Services pursuant to the a Services Agreement between the Parties, or with the prior written approval of Covered Entity.

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) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted or required by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in a Breach. A ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request. If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall comply with the requirements of Section 3.1(a)(i) below;

- Covered Entity shall have sole control over the timing and (ii) method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and, if applicable, the media. Business Associate shall assist with the implementation of any decisions by Covered Entity to notify individuals or potentially impacted individuals;
- (b) In consultation with the Covered Entity, Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or 7/7/2025 | 2:05BPMaPAT Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing any required notification to affected individuals, appropriate government agencies, and, if necessary the media, including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or Personal Information has or may have been compromised as a result of the Breach;
 - Implement appropriate administrative, physical, and technical (c) safeguards and comply with the Security Rule to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;
 - Obtain and maintain a written agreement with each of its Subcontractors that creates, maintains, receives, Uses, transmits or has access to PHI that requires such Subcontractors to adhere to the substantially the same restrictions and conditions with respect to PHI that apply to Business Associate pursuant to this BAA;
 - Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule. In addition, Business Associate shall promptly make available to Covered Entity such books, records, or other information relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity;

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- (f) Document Disclosures of PHI and information related to such Disclosure and, within thirty (30) 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. 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 ten (10) 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 thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;
- (h) Disclose to its Subcontractors 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 to Covered Entity to meet a request by an individual under 45 C.F.R. § 164.524. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for access to PHI from an Individual; 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. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for amendment of PHI from an Individual;
- (j) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;
- (k) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;
- (l) Unless prohibited by law, notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent

that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge; and

(m) Maintain policies and procedures materially in accordance with State Confidentiality 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.

3.2 Business Associate Acknowledgment.

- (a) 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.
- (b) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA and the HITECH Act. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA or the HITECH Act.
- (c) Business Associate further acknowledges that uses and disclosures of protected health information must be consistent with NMC's privacy practices, as stated in NMC's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online at: http://www.natividad.com/quality-and-safety/patient-privacy. Business Associate agrees to review the NMC Notice of Privacy Practices at this URL at least once annually while doing business with NMC to ensure it remains updated on any changes to the Notice of Privacy Practices NMC may make.
- **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 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;
- (c) 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 Associate's Use or Disclosure of PHI; and
- (d) Notify Business Associate 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. <u>TERM AND TERMINATION</u>

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- **4.1** <u>Term</u>. This BAA shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Section 4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.
- **4.2** <u>Termination</u>. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.
- **4.3** <u>Automatic Termination</u>. This BAA 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.
- **Effect of Termination**. Upon termination or expiration of this BAA for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. 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 with 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. In such event, Business Associate shall: (i) retain only that PHI which is necessary for Business Associate to continue its proper management and administration or carry out its legal responsibilities; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Section 2 above, which applied prior to termination; and (vi) return to Covered Entity the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

5. <u>MISCELLANEOUS</u>

- **5.1** <u>Survival</u>. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 2.1, 4.4, 5.7, 5.8, 5.11, and 5.12 shall survive termination of this BAA until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this BAA, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.
- **5.2** <u>Amendments; Waiver</u>. This BAA 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 HIPAA, the HITECH Act, or California Confidentiality

Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA 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 BAA 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** <u>Notices</u>. 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:

Benjamin Colton

Attn: ECG Management Consultants
11455 El Camino Real, Suite 360
San Diego, CA 92130
Phone: 6174581178
Fax:

If to Covered Entity, to:

Natividad Medical Center

Attn: Compliance/Privacy Officer

1441 Constitution Blvd.

Salinas, CA 93906 Phone: 831-755-4111 Fax: 831-755-6254

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** <u>Counterparts; Facsimiles</u>. This BAA 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** Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

- **Choice of Law; Interpretation.** This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with the Privacy Rule, the Security Rule, and the California Confidentiality Laws.
- 5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any related or other agreement between the Parties.
- Applicability of Terms. This BAA applies to all present and future Service Agreements and Business Associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.
- 5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs and expenses arising from a breach of the obligations of Business Associate, its officers, employees, agents and 7/7/2025 | 2:05 Subeditractors under this BAA. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.
 - **<u>Legal Actions</u>**. Promptly, but no later than five (5) business days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law.

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5.12 <u>Audit or Investigations</u>. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliant review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA, the HITECH Act, or the California Confidentiality Laws.

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

BUSINESS ASSOCIATE	COVERED ENTITY
By:	
By:	By:
Andrew Bachrodt Print Name	Print Name:
Print Title Partner	Print Title:
7/7/2025 2:05 PM PDT Date:	Date:

ADDENDUM NO. 1

TO BUSINESS ASSOCIATES AGREEMENT BY AND BETWEEN EXECUTIVE CONSULTING GROUP, LLC dba ECG MANAGEMENT CONSULTANTS, A DELAWARE LLC, AND

THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER FOR CV SERVICE LINE STRATEGY, CODING AND BILLING REVIEW SERVICES

This Addendum No. 1 amends, modifies, and supplements the County of Monterey Business Associates Agreement for Services (hereinafter "BAA") by and between Executive Consulting Group, LLC dba ECG Management Consultants, a Delaware LLC, (hereinafter "CONTRACTOR") and the County of Monterey, on behalf of Natividad Medical Center (hereinafter "NMC"). This Addendum #1 has the full force and effect as if set forth within the Terms. To the extent that any of the terms or conditions contained in this Addendum #1 may contradict or conflict with any of the terms and conditions of the BAA, it is expressly understood and agreed that the terms and conditions of this Addendum #1 shall take precedence and supersede the attached BAA.

NOW, THEREFORE, NMC and CONTRACTOR agree that the BAA terms and conditions shall be amended, modified, and supplemented as follows:

I. Section 3.1 (b), RESPONSIBILITIES OF BUSINESS ASSOCIATE. Section 3.1 (b) is hereby deleted in its entirety and replaced with the following:

"In consultation with the Covered Entity, Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing any required notification to affected individuals, appropriate government agencies, and, if necessary the media, including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, reasonable attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or Personal Information has or may have been compromised as a result of the Breach;"

II. Section 3.3 (e), RESPONSIBILITIES OF COVERED ENTITY. Section 3.3 (e) is hereby added in its entirety:

"Covered Entity represents that any PHI that is Disclosed from Covered Entity to Business Associate is the minimum necessary amount of PHI needed to accomplish the intended purpose of the Disclosure. In addition, Covered Entity shall only disclose ePHI to Business Associate that has been encrypted (as that term is defined in 45 CFR § 164.304) in a manner that is consistent with the "Guidance Specifying the Technologies and Methodologies That Render Protected Health Information Unusable, Unreadable, or Indecipherable to Unauthorized Individuals" issued by the Department of Health and Human Services as published in the Federal Register (74 FR 19006) on April 27, 2009."

III. Section 4.4, EFFECTIVE OF TERMINATION. Section 4.4 is hereby deleted in its entirety and replaced with the following:

"Upon termination or expiration of this BAA for any reason, Business Associate shall destroy or return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors or require its Subcontractors to destroy any PHI in their possession. 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 with 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. In such event, Business Associate shall: (i) retain only that PHI which is necessary for Business Associate to continue its proper management and administration or carry out its legal responsibilities; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Section 2 above, which applied prior to termination; and (vi) return to Covered Entity the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities."

IV. Section 5.8, INDEMNIFICATION. Section 5.8 is hereby deleted in its entirety and replaced with the following:

"Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty (to the extent such penalty is assessed due to the action or omission of Business Associate and not the action or omission of Covered Entity or an indemnified party hereunder) or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any related or other agreement between the Parties. Notwithstanding anything in this BAA to the contrary, Business Associate's aggregate liability to Covered Entity, County, and/or an indemnified party hereunder, regardless of theory of liability, shall be limited to the amounts due and payable by Covered Entity to Business Associate under the Services Agreement. Except to the extent such damages arise directly from Business Associate's gross negligence, willful misconduct, PHI breaches, regulatory fines, or material breach of the BAA, in no event shall Business Associate be liable for any consequential, indirect, special or punitive damages under this BAA. Business Associate's indemnification obligations pursuant to this BAA do not apply in the event that any PHI related to a claim was disclosed by Covered Entity to Business Associate in violation of Section 3(e) of this BAA."

V. Section 5.9, APPLICABILITY OF TERMS. Section 5.9 is hereby deleted in its entirety and replaced with the following:

"This BAA applies to all present and future Service Agreements and Business Associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control insofar as such conflict or inconsistency pertains to the subject matter of this BAA unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control."

VI. Section 5.10, INSURANCE. Section 5.10 is hereby deleted in its entirety and replaced with the following:

"In addition to any general and/or professional liability insurance required of Business Associate, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs and expenses arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Such insurance coverage will be maintained for the term of this BAA, and a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request."

Signature page to follow.

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Addendum No.1 on the basis set forth in this document and have executed this Addendum No. 1 the day and year set forth herein.

Natividad Medical Center	Executive Consulting Group, LLC dba ECG
	Management Consultants
Charles R. Harris, Interim CEO	Signature of Chair, President or Vice-President Andrew Bachrodt Partner
Date	Printed Name and Title 7/7/2025 2:05 PM PDT
Approved as to Legal Provisions: Signed by: Stary Satta	Date Signed by:
Monterey County Deputy County Counsel	Buyanin Colton
7/14/2025 8:55 AM PDT Date	Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer Benjamin Colton Partner
Approved as to Fiscal provisions: Docusigned by: Patricia Ruiy	Printed Name and Title 7/11/2025 9:42 AM PDT
Monterey County Chief-Deputy Auditor-Controller 7/14/2025 11:38 AM PDT Date	Signature Instructions For 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).