

**RENEWAL AND AMENDMENT NO. 3  
TO THE SERVICES AGREEMENT  
BETWEEN NATIVIDAD MEDICAL CENTER (COUNTY OF MONTEREY) AND  
R1 RCM INC.  
FOR  
BILLING AND CLAIM DENIAL APPEAL SERVICES**

This Renewal and Amendment No. 3 to the County of Monterey, Natividad Medical Center (NMC) Agreement for Services is made and entered into, by and between the County of Monterey (hereinafter "County"), a political subdivision of the State of California, on behalf of Natividad Medical Center, an acute care hospital (hereinafter, "NMC"), and R1 RCM INC. (hereinafter "CONTRACTOR"); (collectively, the County, NMC and CONTRACTOR are referred to as the "Parties").

**RECITALS**

**WHEREAS**, NMC and Accretive Health Inc. had previously entered into an Agreement for Services (hereinafter "Agreement") on December 1, 2015 to provide billing and claim denial appeal services to NMC with a three (3) year term and a total Agreement amount not to exceed \$100,000 and

**WHEREAS**, Accretive Health Inc. had a legal name change on January 5, 2017 to R1 RCM Inc.; and

**WHEREAS**, NMC and CONTRACTOR amended the Agreement retroactively on December 1, 2018 via Renewal and Amendment No. 1 to extend the term for an additional two (2) year period through November 30, 2020 to allow for services to continue, with no cost increase to that total Agreement amount of \$100,000; and

**WHEREAS**, NMC and CONTRACTOR amended the Agreement via Amendment No. 2 to add an additional \$40,000, thereby increasing the total Agreement amount to \$140,000 with no change to the billing rates or term of Agreement December 1, 2015 through November 30, 2020 ; and

**WHEREAS**, the Agreement expired on November 30, 2020; and

**WHEREAS**, the Parties wish to renew and amend the Agreement on the same or similar terms, beginning December 1, 2020 and to extend the term for an additional one (1) year period through November 30, 2021 for a revised full Agreement term of December 1, 2015 through November 30, 2021 to allow for services to continue and to include an updated Business Associate Agreement to this Agreement with a \$50,000 increase for a total Agreement amount of \$190,000.

**AGREEMENT**

**NOW THEREFORE**, the Parties agree as follows:

The Agreement is hereby renewed and amended on the terms and conditions as set forth in the original Agreement and in Renewal and Amendment No 1 and Amendment No. 2 incorporated herein by this reference, except as specifically set forth below.

1. **Paragraph titled, "PAYMENTS BY NMC" shall be amended to the following:**  
"NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement and in Renewal and Amendment No. 1, Amendment No. 2, and Renewal and Amendment No. 3. The total amount payable by NMC to CONTRACTOR shall not exceed the sum of \$190,000."
2. **"TERM OF AGREEMENT" Section shall be amended to the following:**  
"The term of this Agreement is from December 1, 2015 through November 30, 2021 unless sooner terminated pursuant to the terms of this Agreement".
3. **"SCOPE OF SERVICES AND ADDITIONAL PROVISIONS/EXHIBITS" Section shall be amended to the following:**  
"The following attached exhibits are incorporated herein by reference and constitute a part of the Agreement:  
  
Exhibit A: Scope of Services/Payment Provisions  
~~Exhibit B: Business Associate Agreement~~  
Exhibit B-3: Business Associate Agreement
4. "Exhibit B: Business Associate Agreement" attached to the Agreement shall be replaced with the updated "Exhibit B-3: Business Associate Agreement" attached hereto this Renewal and Amendment No. 3.
5. If there is any conflict or inconsistency between the provisions of Agreement in Renewal and Amendment No 1, Amendment No. 2 or this Renewal and Amendment No. 3, the provisions of this Renewal and Amendment No. 3 shall govern.
6. A copy of this Renewal and Amendment No. 3 shall be attached to the original Agreement.
7. This Renewal and Amendment is effective retroactively on December 1, 2020.

*The remainder of this page was intentionally left blank.*

*~ Signature page to follow ~*

IN WITNESS WHEREOF, the Parties hereby execute this Renewal and Amendment No. 3 as follows:

**NATIVIDAD MEDICAL CENTER**

By: \_\_\_\_\_  
Gary R. Gray, DO, CEO

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

**APPROVED AS TO LEGAL PROVISIONS**

By: *Stacy L. Saulte*  
Monterey County Deputy County Counsel

Date: 3/25/2021

**APPROVED AS TO FISCAL PROVISIONS**

By: *gary k giboney*  
Monterey County Chief Deputy Auditor-Controller

Date: 3-25-2021

**CONTRACTOR**

**R1 RCM INC.**

**CONTRACTOR's Business Name**

**\*\*Signature instructions below\*\***

DocuSigned by:  
By: *Logan Johnston*  
9F2FA7B1B33748E  
(Signature of Chair, President, or Vice-President)

Logan Johnston EVP - Central Operation

\_\_\_\_\_  
Name and Title

March 16, 2021

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

DocuSigned by:  
By: *M. Sean Radcliffe*  
413173E0D584431  
(Signature of Secretary, Asst. Secretary,  
CFO, Treasurer, or Asst. Treasurer)

M. Sean Radcliffe EVP & GC

\_\_\_\_\_  
Name and Title

March 16, 2021

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

**\*\*\*SIGNATURE 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. (2 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. (2 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. (1 signature required)

## BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“BAA”) effective December 1, 2020 (“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 R1 RCM, Inc. (“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, and as applicable to the Party.

C. WHEREAS, The Parties are also committed to complying with the California Confidentiality Laws (defined below), as applicable to the Party.

D. WHEREAS, The Parties are also committed to complying with requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 (“Red Flag Rules”), if and to the extent applicable.

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. DEFINITIONS

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.

*Approved by the County of Monterey Board of Supervisors on 11/01/16  
and revised on 12/09/16*

(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) Subject to Section 3.3(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);

*Approved by the County of Monterey Board of Supervisors on 11/01/16  
and revised on 12/09/16*

(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 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;

(i) Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed

*Approved by the County of Monterey Board of Supervisors on 11/01/16  
and revised on 12/09/16*



during the Breach, to Covered Entity without unreasonable delay, but no later than ten (10) business days after discovery of the Breach;

(ii) Covered Entity shall have sole control over the timing and 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 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;

(c) Implement appropriate administrative, physical, and technical safeguards and comply with applicable sections of the Security Rule to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(d) In accordance with 45 C.F.R. § 164.502(e)(1)(ii), 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 substantially similar terms with respect to PHI that apply to Business Associate pursuant to this BAA;

(e) Make available its 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, upon reasonable notice, Business Associate shall make available to Covered Entity such books, records, or other information relating to the Use and Disclosure of PHI for such purposes;

(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;

(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 the Services or to 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 ten (10) 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 with the Covered Entity in such challenge; and

(m) Maintain policies and procedures materially in accordance with Applicable Laws 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) To the extent Business Associate is carrying out Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with HIPAA and the

*Approved by the County of Monterey Board of Supervisors on 11/01/16  
and revised on 12/09/16*



HITECH Act. Business Associate shall comply with applicable California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA or the HITECH Act.

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

(a) Only disclose PHI or “medical information” to Business Associate or request Services from Business Associate in compliance with all applicable laws, including but not limited to HIPAA, the HITECH Act, and the California Confidentiality Laws, and provide Business Associate only the minimum necessary amount of data for Business Associate to accomplish the intended purpose of the disclosure;

(b) Obtain any consent, authorization or permission that may be required by the Privacy Rule or any other applicable federal or state laws and/or regulations prior to furnishing Business Associate with the PHI pertaining to an individual;

(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

(c) Notify Business Associate of any arrangements permitted or required of Covered Entity under the Privacy Rule that may materially impact in any manner the use or disclosure of PHI by Business Associate under the applicable underlying Services Agreement, including, but not limited to, restrictions on Use or Disclosure of PHI as provided for in 45 C.F.R. § 164.522.

#### **4. TERM AND TERMINATION**

**4.1 Term.** 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 Termination.** 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 Automatic Termination.** 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.

**4.4 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. §

*Approved by the County of Monterey Board of Supervisors on 11/01/16  
and revised on 12/09/16*

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 or destroy 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. MISCELLANEOUS**

**5.1 Survival.** The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 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 Amendments; Waiver.** 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 Notices.** Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

*Approved by the County of Monterey Board of Supervisors on 11/01/16  
and revised on 12/09/16*

\_\_\_\_\_  
Attn: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
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 Counterparts; Facsimiles.** 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.

**5.7 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 applicable to that party.

**5.8 Indemnification.** Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any third party claim, liability, loss, injury, cost, expense, penalty or direct damages, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, to the extent arising out of Business Associate's violation of its obligations under this BAA or a Breach of HIPAA that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting any loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County.. This provision is in addition to, and independent of, any indemnification provision in any related or other agreement between the Parties.

*Approved by the County of Monterey Board of Supervisors on 11/01/16  
and revised on 12/09/16*

**5.9 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 with respect to Business Associate's Use or Disclosure of PHI, 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 Subcontractors 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.

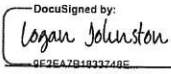
**5.11 Legal Actions.** Promptly, but no later than ten (10) business days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may 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.

**5.12 Audit or Investigations.** Promptly, but no later than ten (10) 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:  \_\_\_\_\_  
Print Name Logan Johnston  
Print Title EVP - Central Operations  
Date: March 16, 2021

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Print Title: \_\_\_\_\_  
Date: \_\_\_\_\_