

MYA-439



COUNTY OF MONTEREY - BOARD OF SUPERVISORS

[Monterey County Home](#)
[Search Agenda Items](#)
[Calendar](#)
[Board of Supervisors](#)
[Live Proceedings](#)
[Video of Board Meetings](#)
[Agenda Info 2009-2012](#)
[Share](#)
[RSS](#)
[Alerts](#)
[Details](#)
[Reports](#)

File #:	A 12-080	Version: 1	Name:	Info Image of California Amendment #1
Type:	BoS Agreement		Status:	Consent Agenda
File created:	5/10/2012		In control:	Board of Supervisors
On agenda:	6/12/2012		Final action:	

Title: Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 1 to the Agreement (SC1863) with Info Image of California Inc. for Medical Bill Mailing Services at NMC, extending the Agreement to June 30, 2014 and adding \$100,000 for a revised total Agreement amount not to exceed \$180,000 in the aggregate.

Attachments: [Info Image, Completed Board Order](#)

[History \(0\)](#)
[Text](#)

Title

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 1 to the Agreement (SC1863) with Info Image of California Inc. for Medical Bill Mailing Services at NMC, extending the Agreement to June 30, 2014 and adding \$100,000 for a revised total Agreement amount not to exceed \$180,000 in the aggregate.

Body

RECOMMENDATION:

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 1 to the Agreement (SC1863) with Info Image of California Inc. for Medical Bill Mailing Services at NMC, extending the Agreement to June 30, 2014 and adding \$100,000 for a revised total Agreement amount not to exceed \$180,000 in the aggregate.

SUMMARY/DISCUSSION:

As part of the Fair Trade and Lending Act, Federal and States laws require NMC to send an explanation of services letter to every patient who receives services. InfoImage is the company NMC uses to send out this first mailing to every patient.

Currently, NMC produces approximately twenty to thirty thousand Explanation (Statement) of Services letters per year. InfoImage services allow NMC's electronic medical record program (MediTech) to interface easily into the statement of services providing 100% data-to-mail integrity and eliminating duplications or corrupt data. InfoImage completes all processing of the letters including, sorting, filing, bar-coding, delivery and special handling of foreign mail. InfoImage provides integrated services with the US Postal Service and remains current with postal rules and regulations to meet compliance.

This Amendment No. 1 requires a significant increase in costs for the coming fiscal year due to the following:

- Postal pricing for Mixed Pre-Sort went up from 0.390 to 0.404. In this category NMC's volume increased by 600 more statements per month.
- Postal pricing for Full First Class went from 0.440 to 0.450. In this category NMC's volume increased by 90 more statements per month.
- The additional printed insert went from 0.98 to 1.05 per page. NMC's volume increased by 6 more statements per month.

The State's Undocumented Patient Program (SB1011) ran out of monies. This reclassified these patients as Self Pay Patients, increasing the volume of statements needing to be distributed.

It is mandatory that NMC send statements to all Self Pay Patients and "waiting for insurance to pay" Patients. NMC is required by law (Fair Trade Lending Act) to send statements out to all patients with a balance. An increase in volume of statements has also occurred as more Insurance Patients lose their benefits and are classified as Self Pay.

NMC is not equipped or staffed to provide these types of services in-house. InfoImage is a preferred provider with over 25 years experience meeting Fair Trade and Lending Act laws for many hospitals and hospital organizations throughout the U.S.

Business Automobile Insurance Exemption

Business Automobile Liability Insurance Additional Insured Endorsement requirements are waived for this vendor under this Agreement. There is no risk or exposure regarding vehicles.

Contractor does not travel onto County property with vehicles.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad Medical Center's Board of Trustees.

FINANCING:

The cost for this Amendment is \$100,000 over two years. \$ 45,000 is included in the Fiscal Year 2012/2013 Recommended Budget. Amounts for remaining years of the Agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

Prepared by: Vince Carr, Patient Financial Services Director, 783-2345

Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Agreement, Amendment 1.



Monterey County

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

Board Order

Agreement No. A--12226

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

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 1 to the Agreement (SC1863) with Info Image of California Inc. for Medical Bill Mailing Services at NMC, extending the Agreement to June 30, 2014 and adding \$100,000 for a revised total Agreement amount not to exceed \$180,000 in the aggregate.

PASSED AND ADOPTED on this 12th day of June 2012, by the following vote, to-wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 76 for the meeting on June 12, 2012.

Dated: June 19, 2012
File Number: A 12-080

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

By *Denise Hancock*
Deputy

**AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN Info Image of California Inc. AND
THE NATIVIDAD MEDICAL CENTER
FOR
Info Image of California Inc.**

This Amendment No. 1 to Professional Services Agreement ("Agreement"), dated June 10, 2010 , is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Info Image of California Inc. (Contractor), with respect to the following:

RECITALS

WHEREAS, the County and Contractor wish to amend the Agreement to extend the term end date to allow for existing services to continue.

WHEREAS, the County and Contractor wish to amend the Agreement to increase the amount of the Agreement because of the term extension and increase in the amount payable for services rendered.

AGREEMENT

NOW, THEREFORE, the parties agree to amend the Agreement as follows:

1. Contractor will continue to provide NMC with the same scope of services as stated in the original Agreement (No. SC834).
2. Section 1. "PAYMENTS BY NMC" shall be amended by removing, "*The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$80,000.*" and replacing it with "*The total amount payable by County to CONTRACTOR under Agreement No. (SC834) shall not exceed the total sum of \$180,000 for the full term of the Agreement.*"
3. Section 2, "TERM OF AGREEMENT" shall be amended by removing, "*The term of this Agreement is from June 1, 2010 to May 31, 2013 unless sooner terminated pursuant to this Agreement*" and replacing it with "*The term of this Agreement is from June 1, 2010 to June 30, 2014 unless sooner terminated pursuant to this Agreement.*"
4. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment and shall continue in full force and effect as set forth in the Agreement.
5. A copy of this Amendment shall be attached to the original Agreement (No. SC834).
6. The effective date of this Amendment is July 1, 2012.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

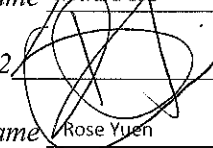
CONTRACTOR

Signature 1 

Dated April 24, 2012

Printed Name Howard Lee

Title President and CEO

Signature 2 


Dated April 24, 2012

Printed Name Rose Yuen

Title VP and COO

****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. 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. 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.*

NATIVIDAD MEDICAL CENTER,

Signature 
Purchasing Manager


Dated 6-13-12

Signature 
NMC - CEO


Dated 4/26/12

Approved as to Legality and Legal Form:

Charles J. McKee, County Counsel

By 
Stacy Saretta, Deputy
Attorneys for County and NMC

Reviewed (as to fiscal provisions)


Auditor-Controller
County of Monterey

Dated: 5/3, 2012

9-6-12



COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES
(NOT TO EXCEED \$100,000)

This Professional Services Agreement (hereinafter "Agreement") is made by and between Natividad Medical Center ("NMC"), a general acute care teaching hospital wholly owned and operated by the County of Monterey, which is a political subdivision of the State of California and InfoImage Inc.
_____ hereinafter "CONTRACTOR").

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

SERVICES TO BE PROVIDED. NMC hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibit A in conformity with the terms of the Agreement. The services are generally described as follows: Medical Bill Mailing Services

1. PAYMENTS BY NMC. NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$80,000

2. TERM OF AGREEMENT. The term of this Agreement is from Jun 1, 2010 to May 31, 2013 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and NMC and with NMC signing last and CONTRACTOR may not commence work before NMC signs this Agreement.

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

ADDENDUM TO PSA
Exhibit A/Schedule A: Scope of Services/Payment Provisions

4. PERFORMANCE STANDARDS.

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

4.2. 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.

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

5. PAYMENT CONDITIONS.

5.1. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to NMC. 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 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 NMC approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

5.2. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

6. TERMINATION.

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

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

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

8. INSURANCE.

8.1. Evidence of Coverage:

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 NMC's Contracts/Purchasing Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and NMC has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

- 8.2. Qualifying Insurers: All coverage's except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by NMC's Contracts/Purchasing Director.
- 8.3. Insurance Coverage Requirements: Without limiting Contractor's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

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

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

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

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.

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

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

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

8.4. Other Insurance Requirements:

All insurance required by this Agreement shall be with a company acceptable to NMC and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that NMC shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance. The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 1001 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by NMC, CONTRACTOR shall file certificates of insurance with NMC's Contracts/Purchasing Department, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The 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.

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

9. RECORDS AND CONFIDENTIALITY.

- 9.1. Confidentiality. CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from NMC or prepared in connection with the performance of this Agreement, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to NMC any and all requests for disclosure of any such

confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out Contractor's obligations under this Agreement.

9.2. NMC Records. When this Agreement expires or terminates, CONTRACTOR shall return to NMC any NMC records which CONTRACTOR used or received from NMC to perform services under this agreement.

9.3. 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.

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

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

10. **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.

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

12. **INDEPENDENT CONTRACTOR**. In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of NMC. No offer or obligation of permanent employment with NMC or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled

by virtue of this Agreement to receive from NMC any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for an obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold NMC and the County of Monterey harmless from any and all liability, which NMC may incur because of Contractor's failure to pay such taxes.

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

FOR NATIVIDAD MEDICAL CENTER: Contracts/Purchasing Manager	FOR CONTRACTOR:
Name	Howard Lee, President and CEO Name and Title
1441 Constitution Blvd. Salinas, CA. 93906 Address	141 Jefferson Drive, Menlo Park, CA 94025 Address
831.755.4111 Phone	650.473.6388 Phone

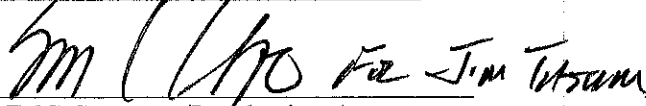
14. MISCELLANEOUS PROVISIONS.

- 14.1. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.
- 14.2. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by NMC and the Contractor.
- 14.3. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by NMC 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.
- 14.4. Contractor. The term "Contractor" as used in this Agreement includes Contractor's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.
- 14.5. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 14.6. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of NMC. None of the services covered by this Agreement shall be subcontracted without the prior written approval of

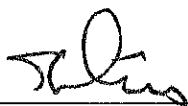
NMC. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement. *(Please refer to Addendum A to PSA)*

- 14.7. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of NMC and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 14.8. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 14.9. Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 14.10. Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement
- 14.11. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 14.12. Non-exclusive Agreement. This Agreement is non-exclusive and both NMC and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 14.13. Construction of Agreement. NMC and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 14.14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 14.15. Integration. This Agreement, including the exhibits, represents the entire Agreement between NMC and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between NMC and CONTRACTOR as of the effective date of this Agreement, which is the date that NMC signs the Agreement.
- 14.16. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

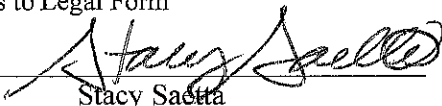
NATIVIDAD MEDICAL CENTER:

By: 
NMC Contracts/Purchasing Agent

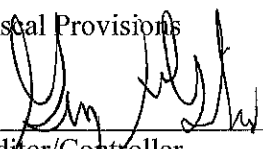
Date: 5-27-10

By: 
Department Head (if applicable)

Date: 5/26/10

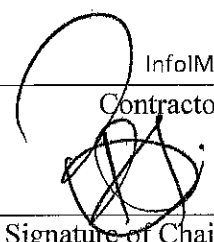
Approved as to Legal Form
By: 
Stacy Sacca
Deputy County Counsel

Date: 5/26/10

Approved as to Fiscal Provisions
By: 
Auditor/Controller

Date: 5-27-10

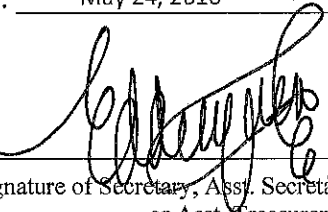
CONTRACTOR


InfoIMAGE of California, Inc.
Contractor's Business Name***

Signature of Chair, President, or Vice-President

Rose Lee, VP and COO
Name and Title

Date: May 24, 2010

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

Eddie Yuen, Treasurer & CTO
Name and Title

Date: May 24, 2010

***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. 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. 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.

Dated May 24, 2010

Addendum A to the County of Monterey Professional Services Agreement

This Addendum to the Professional Services Agreement a.k.a. PSA (this "ADDENDUM A") by and between **Natividad Medical Center**, having its principal place of business at **1441 Constitution Boulevard, Salinas, CA 93906** and InfoIMAGE of California, Inc., d/b/a InfoIMAGE, Inc. ("InfoIMAGE, Inc."), having its principal place of business at 141 Jefferson Drive, Menlo Park, California 94025. This **ADDENDUM A** to the Professional Services Agreement a.k.a. PSA, appends in its entirety to the Professional Services Agreement a.k.a. PSA, by and between **Natividad Medical Center** and InfoIMAGE, Inc.; will be effective as of the begin date of services.

WHEREAS, **Natividad Medical Center** and InfoIMAGE, Inc. are parties to that certain **Professional Services Agreement a.k.a. PSA**, effective as of **June 1, 2010** (the "Agreement"), and

WHEREAS, **Natividad Medical Center** and InfoIMAGE, Inc. each desire to add to said Agreement as provided herein:

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

IT IS HEREBY AGREED as follows: *(in reference to the item numbers listed on the Professional Services Agreement a.k.a. PSA.)*

6. TERMINATION.

- 6.1. During the term of this Agreement, NMC may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least ninety 90 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 to CONTRACTOR shall be equivalent to the cumulative amounts invoiced to the Customer over the six months immediately preceding the termination notice.
- 6.2. NMC may cancel and terminate this Agreement for good cause effective immediately upon written notice to Contractor. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If NMC terminates this Agreement for good cause, NMC may be relieved of the payment of any consideration to Contractor, and NMC may proceed with the work in any manner, which NMC deems proper. The cost to NMC shall be deducted from any sum due the CONTRACTOR under this Agreement and the unit costs shall not exceed the fees as stated on Exhibit A of the Pricing Schedule.


14. MISCELLANEOUS PROVISIONS.


- 14.6. Assignment and Subcontracting. Neither party shall assign this Agreement or in the case of InfoIMAGE, subcontract any of the services, without the written consent of the other party, which consent may be withheld in such party's sole and absolute discretion. Notwithstanding the foregoing, InfoIMAGE may (a) assign this Agreement to a corporation, partnership, limited liability company, or other entity, upon notice to Natividad Medical Center, so long as InfoIMAGE is a shareholder, partner, or member of such entity and the financial net worth of InfoIMAGE's assignee or successor is the same or higher than the net worth of InfoIMAGE as of the date hereof; and (b) may subcontract the portion of the Services relating to paper and envelopes without the written consent of Natividad Medical Center.

IN WITNESS WHEREOF, the parties have executed this ADDENDUM A; effective as of the addendum date stated below.

Natividad Medical Center (County of Monterey)
1441 Constitution Boulevard, Salinas, CA 93906

InfoIMAGE of California, Inc.
141 Jefferson Drive, Menlo Park, CA 94025

Signature: 
 Name: Henry Weis
 Title: CEO
 Email: _____
 Date: 5/26/10

Signature: 
 Name: Rose Lee
 Title: Vice President and COO
 Addendum Effective Date: June 1, 2010

Print and Mail Services for:



Natividad Medical Center, County of Monterey
 1441 Constitution Boulevard, Salinas, CA 93906

Overview

InfoIMAGE will set up **Natividad Medical Center** with the print and mail services for **print statements**:

Applications	Average Annual Account Volume	Average Annual Image Volume	Turnaround Time
Monthly Statements	36,000	36,000	2 business days

Services to be provided for all applications include:

Setup

- Input files for each application

Production

- Laser print statements

Receive files

- Via FTP data transmission

Mailing Services

- Fold and insert documents
- Seal and indicia envelopes
- Sort to First Class CASS certified presort rate on all qualified envelopes
- Delivery to the USPS

Processing

- Sort file and append post net barcode
- Append OMR codes to handle multiple pages
- Append 2D Glyph for 100% data-to-mail integrity
- Special extraction for customer return files
- Special handling of foreign mail
- Process data into print format

Print Statements

Setup Fee

One Time Statement Setup Fee	\$160.00	per hour*
------------------------------	----------	-----------

**Estimated 40 hours per statement type, quote to be provided upon review of file and specifications.*

Image Base Rate

Image Rate	\$0.15	per image
------------	--------	-----------

Monthly Minimum Production Fee

<i>The minimum run fee will apply if the cost of production per application is less than the fee stated below.</i>	\$450.00	per month
--	----------	-----------

Materials

24# white bond paper with 1-line perforation	\$17.85	per thousand
20# white bond paper (if applicable)	\$11.15	per thousand
#10 house double window envelope	\$22.96	per thousand
#9 house single right window reply envelope	\$22.96	per thousand

Mailing Services

Sort for First Class CASS certified presort rate	\$0.029	per envelope
Handling fee for flat envelopes (when applicable)	\$25.00	per hour

FTP File Transfer

One time set up fee	\$120.00	one time fee
Unlimited Client Portal Access	\$300.00	per month

Optional – DVD Archival Service

Please initial here if chosen

Set up	\$160.00	per hour
Master DVD	\$35.00	per master
Image rendering	\$ 0.03	per image
Duplicate DVD	\$75.00	per duplicate

Estimated Annual Cost Analysis

Annual Volume	Description	Cost Per	Unit	Extended Cost
36,000	Base Image Rate	\$ 0.15	per image	\$ 5,400.00
36,000	24# white bond paper w/ one line	\$ 0.01785	per sheet	\$ 642.60
36,000	#10 house double window envelope	\$ 0.02296	per envelope	\$ 826.56
36,000	#9 single window reply envelope	\$ 0.02296	per envelope	\$ 826.56
36,000	Presort	\$ 0.029	per qualified envelope	\$ 1,044.00
12	FTP Transmission	\$ 300.00	per month	\$ 3,600.00
<i>Estimated Annual Total for Print</i>				\$ 12,339.72
36,000	Postage	\$ 0.382	per qualified envelope	\$ 13,752.00
<i>Estimated Annual Total for Postage</i>				\$ 13,752.00
Estimated Annual Total for Print & Mail Services				\$ 26,091.72