



RELAYHEALTH SERVICES AGREEMENT

THIS RELAYHEALTH SERVICES AGREEMENT ("RSA," as further defined in Exhibit A) is entered into to be effective as of the latest date in the signature block below (the "RSA Effective Date"), between RelayHealth (as defined in Exhibit A), and the customer identified below ("Customer"). This RSA governs all RelayHealth Solutions listed in each Order Form executed hereunder that are licensed or purchased by Customer from RelayHealth in the U.S. during the Term (each as defined below).

SOLUTION SCHEDULES	INCLUDED (as of RSA Effective Date)	
Solution Schedule 1 (Financial Solutions)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Solution Schedule 2 (Clinical Solutions)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Solution Schedule 3 (Patient Solutions)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Solution Schedule 4 (RelayCare Software & Services)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Solution Schedule 5 (MedGift Services)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

This RSA is executed by an authorized representative of each party.

CUSTOMER: THE COUNTY OF MONTEREY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, ON BEHALF OF THE MONTEREY COUNTY HEALTH DEPARTMENT

RELAYHEALTH (as defined in Exhibit A)


By: _____
 Name: _____
 Title: _____
 Date: _____
 Customer PO. No. _____

By: _____
 Name: _____
 Title: _____
 Date: _____


CUSTOMER ADDRESS:
 1270 Natividad Road
 Salinas, CA 93906
 Attn: Ray Bullick
 Director of Health
 (831) 755-4526


RelayHealth Address:
 5995 Windward Parkway
 Alpharetta, Georgia 30005
 Attn: Sales Operations
 rhcontracts@relayhealth.com

Reviewed as to fiscal provisions



 Auditor-Controller
 County of Monterey 24-16

APPROVED AS TO FORM

 DEPUTY COUNTY COUNSEL
 COUNTY OF MONTEREY



 Purchasing Agent
 3/17/16



RSA TERMS AND CONDITIONS

SECTION 1: DEFINITIONS

1.1 Defined Terms. Each capitalized term used in this RSA or an Order Form has the respective meaning set forth below, in Exhibit A, or in a Solution Schedule. References to Solution Schedules not included in the RSA shall be of no force or effect.

SECTION 2: ORDERING PROCESS

2.1 Order Forms. Order Forms will be used to process Customer's license and purchase of RelayHealth Solutions. Each Order Form incorporates the terms and conditions of this RSA, excluding the terms of any Solution Schedule that governs a RelayCare Solution that Customer has not purchased or licensed under such Order Form.

2.2 Implementation Plan. Upon or following the OF Effective Date of each Order Form, the parties will mutually create and execute an Implementation Plan that specifies the projected milestone dates for the performance of Implementation Services as well as all prerequisite tasks that Customer shall complete in preparation for, and during, the implementation process. The Implementation Plan may also include hardware, software, environmental, connectivity, and other specifications regarding items or conditions that must be present in Customer's Facilities prior to implementation, as well as during Customer's use, of a specific RelayHealth Solution.

2.3 Implementation Services. Any Implementation Services to be provided by RelayHealth will be defined in and identified on an Order Form. RelayHealth will have no obligation to provide any Implementation Services, or the applicable RelayHealth Solution, unless Customer (a) has ordered in an Order Form all Implementation Services required by RelayHealth for the implementation of such RelayHealth Solution, (b) participates in creating and executes the applicable Implementation Plan, and (c) fully cooperates with RelayHealth during implementation of the RelayHealth Solution and completes all prerequisite tasks designated as Customer's responsibility under the Implementation Plan. Customer's failure to comply with the terms of this Section 2.3, and any resulting refusal by RelayHealth to provide Implementation Services or any related RelayHealth Solutions, will not excuse Customer's duty to timely pay fees due under each Order Form.

SECTION 3: PROVISION OF RELAYHEALTH SOLUTIONS

3.1 Services & Products.

3.1.1 Engagement. Subject to the terms of this RSA, RelayHealth will use commercially reasonable efforts to provide to Customer, and Customer will accept, the RelayHealth Solutions purchased under each Order Form on the following conditions: (i) each RelayHealth Solution may only be used for the benefit of the intended recipients contracted for and as described in each Order Form; (ii) each RelayHealth Solution may only be accessed by Customer Users and other persons or entities identified in each Order Form; (iii) use of a RelayHealth Solution may be limited by usage-based variables set forth in an Order Form; (iv) certain RelayHealth Solutions may be provided by a RelayHealth Affiliate, or a third party, and may be subject to additional third-party terms set forth or identified in an Order Form or the applicable Documentation.

3.1.2 Term. The Term of this RSA commences on the RSA Effective Date and continues until termination or expiration of each Order Form executed hereunder, unless earlier terminated as set forth herein. The duration of each initial term of an Order Form and any renewal options governing a particular RelayCare Solution will be as set forth in the applicable Order Form. The parties may extend an OF Term beyond the number of renewal OF Terms permitted the Order Form only by a written amendment executed by the parties.

3.1.3 Professional Services. Any Professional Services to be provided by RelayHealth will be described on statements of work attached to an Order Form. Nothing will preclude or limit RelayHealth



from providing Professional Services, or developing Software or Products for itself or other customers, irrespective of the possible similarity of screen formats, structure, organization, or sequences of materials which may be delivered to Customer.

3.1.4 Subscription Services, Software, and Clinical Content. If Customer licenses or purchases any Subscription Services, Software, or Clinical Content, such purchase will be identified on, and licensed in accordance with the terms of, the applicable Solution Schedule and Order Form.

3.1.5 Scope Change. All changes in the scope of Services will be performed pursuant to a written, fully executed amendment to the Order Form documenting such changes.

3.1.6 Services Warranty. RelayHealth warrants that all Professional Services and Implementation Services will be performed in a professional manner consistent with industry standards by trained and skilled personnel.

3.1.7 Excluded Provider Warranty. RelayHealth warrants that neither it nor any of its employees assigned to perform material Services under this RSA have been convicted of a criminal offense related to health care or been listed as debarred, excluded, or otherwise ineligible for participation in a federal health care program. RelayHealth will notify Customer if RelayHealth becomes aware that it or any of its employees assigned to perform material Services under this RSA have been excluded or is otherwise ineligible for participation in a federal health care program.

3.1.8 Suspension of Services. RelayHealth reserves the right to suspend provision of any RelayHealth Solution (a) 15 days after notice to Customer of nonpayment of any fees owed to RelayHealth under an Order Form (excluding Time and Materials fees, and expenses under Section 4.2, which are disputed by Customer in good faith) that are 30 days or more past due, where such breach remains uncured, (b) if RelayHealth determines in its reasonable discretion that such suspension is necessary to comply with any applicable law, regulation or order of any governmental authority, or (c) immediately if RelayHealth determines in its reasonable business judgment that the performance, integrity or security of a RelayHealth Solution is being adversely impacted or in danger of being compromised, as a result of Customer's or its users' access.

3.2 Use of RelayHealth Solutions.

3.2.1 General. Customer will use all RelayHealth Solutions in accordance with this RSA and the applicable Order Form and Documentation, and in compliance with all applicable laws, ordinances, rules and regulations. This RSA and the RelayHealth Solutions are subject to Control Laws governing the export of Regulated Materials. Customer shall not export any RelayHealth Solutions without RelayHealth's advance written permission. Customer shall comply with all Control Laws pertaining to the Regulated Materials in effect in, or which may be imposed from time to time by, the U.S. or any country into which Customer, or RelayHealth on Customer's behalf, ships, transfers, or releases such RelayHealth Solutions. Customer may permit use of the RelayHealth Solutions by an outsourcing or facility management service provider only with RelayHealth's prior written approval or if expressly permitted in an Order Form.

3.2.2 Material Modification or Discontinuation. RelayHealth may materially modify or discontinue any RelayHealth Solution, or any sub-portion thereof, at any time, for any reason. RelayHealth will notify Customer of any material adverse modification or discontinuation of a RelayHealth Solution as promptly as possible. In the case of any discontinuation, or any material modification requiring action on the part of Customer, RelayHealth will provide advance notice of such change. If RelayHealth materially modifies a RelayHealth Solution in a way that significantly eliminates functionality Customer was routinely using prior to such material modification, RelayHealth will either offer to provide Customer with a substitute RelayHealth Solution (from RelayHealth or a RelayHealth Affiliate), or proportionately adjust the fees applicable to such RelayHealth Solution to reflect the loss of functionality, as determined in RelayHealth's discretion. If RelayHealth discontinues all RelayHealth Solutions under an Order Form, RelayHealth will permit Customer to terminate the applicable Order Form without penalty and may offer Customer a substitute RelayHealth Solution (from RelayHealth or a RelayHealth



Affiliate). Customer acknowledges and understands that future regulations or industry practices may affect performance of the RelayHealth Solutions and require RelayHealth, Customer, or both, to meet additional requirements or to discontinue using some portion of the RelayHealth Solutions. In the event either party receives written notice from a regulatory authority with jurisdiction over such party, or with jurisdiction over the subject matter of a RelayHealth Solution, that orders or advises such party to alter or discontinue its provision or use of any RelayHealth Solution, the parties will take the following actions: The parties will negotiate in good faith to execute an amendment to the non-financial portions of this RSA, and any applicable Order Form, within 90 days after receipt of such notice (or sooner if required), in as narrow a manner and scope as is necessary to comply with such notice. If, after the parties have engaged in good faith negotiations, either party determines in good faith that such an amendment is not reasonably possible, then such party may terminate the applicable Order Form upon 30 days' advance written notice.

3.2.3 Internet Connectivity. Customer acknowledges and agrees that Customer and Customer Users will provide all hardware, software, and services necessary to access the Internet, and Customer shall maintain Internet connectivity as a prerequisite for access to and use of the RelayHealth Solutions, as and when required. Customer will take, and will require all Customer Users to take, all necessary and feasible steps to safeguard the integrity and confidentiality of all data and communications transmitted or stored when using any RelayHealth Solution, and when Customer or Customer Users are providing any services using servers or other hardware owned or maintained by or for Customer or Customer Users that are in way related to, or based upon, the RelayHealth Solutions.

3.2.4 Hosting. Except for certain Products identified in a Solution Schedule or Order Form as Products permitted to be installed at a Customer Facility, the RelayHealth Solutions consist of Subscription Services that RelayHealth hosts on servers owned or maintained by or for RelayHealth at a RelayHealth, or RelayHealth-approved, site.

3.2.5 Login Credentials. Each Customer User will be required to enter his or her Login Credentials in order to access certain RelayHealth Solutions. Customer is fully responsible for all uses of Login Credentials issued to (or created by) its Customer Users. Customer shall, and shall cause each Customer User to (i) protect the confidentiality of all Login Credentials, (ii) require that each Customer User use only the unique Login Credentials assigned to such Customer User; (iii) immediately notify RelayHealth of any breach of the confidentiality of any Login Credentials, and (iv) update and maintain current Customer's pool of Login Credentials in a manner that will ensure Customer and RelayHealth will receive timely notice if any individual ceases to be a Customer User, or if a Customer User misuses his or her Login Credentials.

3.2.6 Government Customer Rights. If this RSA is performed under a federal government contract, then RelayHealth intends that any Products or Services provided under this RSA constitute "commercial item(s)" as defined in Federal Acquisition Regulation ("FAR") 2.101, including any Software, Clinical Content, Third Party Software, Documentation or technical data. Additionally, all Software, Clinical Content, Third Party Software, Documentation, or technical data provided by RelayHealth under this RSA will be considered related to such "commercial item(s)". If Customer seeks rights in Software, Clinical Content, Third Party Software, Documentation, or technical data provided by RelayHealth under this RSA, then RelayHealth grants only those rights established under any FAR or FAR Supplement clauses which are flowed down to RelayHealth under this RSA consistent with the delivery of "commercial item(s)." If Customer contends that any Software, Clinical Content, Site Software, Third Party Software, Documentation, or technical data provided under this RSA does not constitute "commercial item(s)" as defined in FAR 2.101, then Customer promptly will notify RelayHealth of the same, and identify what rights Customer contends exist in such Software, Clinical Content, Third Party Software, Documentation, or technical data. No rights in any such Software, Clinical Content, Third Party Software, Documentation, or technical data will attach other than rights related to "commercial item(s)" unless Customer provides such notice to RelayHealth, and RelayHealth expressly agrees in writing that such rights are granted under this RSA.

3.2.7 Third Party Services. Customer acknowledges that RelayHealth's provision of the RelayHealth Solutions depends on services provided by unrelated third parties that RelayHealth does not



control. RelayHealth will use commercially reasonable efforts to minimize downtime caused by such third parties that would have a material adverse impact on the RelayHealth Solutions. As a result, any unavailability of a RelayHealth Solution due to the failure of services provided to RelayHealth by third-parties, including without limitation, telecommunications failures, or other circumstances or causes beyond RelayHealth's control, will not constitute a breach of this Agreement.

3.2.8 Use of Customer Marks. If Customer requests that RelayHealth use any Customer Marks in materials created during RelayHealth's provision of the RelayHealth Solutions (including, but not limited to, Processing Services), Customer hereby grants to RelayHealth a worldwide, royalty-free, limited, nonexclusive license to use and display Customer's Marks as necessary for RelayHealth to perform its obligations under this RSA and each applicable Order Form. Customer represents and warrants that it has sufficient rights in the Customer Marks necessary to grant RelayHealth the licenses granted in this Section 3.2.8, and that RelayHealth's use of the Customer Marks in compliance with this RSA and each applicable Order Form will not infringe the rights of any third-party. All goodwill associated with RelayHealth's use of Customer Marks will inure to the benefit of Customer.

3.2.9 Ownership. Except as otherwise provided in this RSA or in an Order Form, RelayHealth does not convey, nor does Customer obtain any right, title or interest in any intellectual property rights in or to the RelayHealth Solutions, whether existing prior to the RSA Effective Date, or created, developed, utilized or provided by RelayHealth during the Term. Customer acknowledges that the RelayHealth Solutions are constantly evolving based on feedback and information received from RelayHealth's customers. Customer acknowledges that Developments constitute RelayHealth's sole property, in accordance with Section 5.1.4, below.

3.3 Disclaimer: Exclusive Remedy. THE WARRANTIES IN THIS RSA AND IN EACH ORDER FORM ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH WARRANTIES ARE HEREBY SPECIFICALLY DISCLAIMED. RELAYHEALTH DOES NOT WARRANT THAT THE PRODUCTS OR SERVICES WILL YIELD ANY PARTICULAR BUSINESS OR FINANCIAL RESULT, OR THAT THE PRODUCTS WILL BE PROVIDED OR THE SERVICES WILL BE PERFORMED WITHOUT ERROR OR INTERRUPTION. CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR RELAYHEALTH'S BREACH OF ANY WARRANTY WILL BE THE REPAIR, REPLACEMENT, OR RE-PERFORMANCE BY RELAYHEALTH OF THE NONCONFORMING PRODUCT OR SERVICE; PROVIDED, IF RELAYHEALTH FAILS TO DELIVER THIS REMEDY, THEN CUSTOMER MAY PURSUE ANY OTHER REMEDY THAT IS OTHERWISE PERMITTED UNDER THIS RSA.

SECTION 4: PAYMENT

4.1 Invoicing Terms. Unless otherwise provided in an Order Form, Customer will pay all fees and other charges in U.S. dollars within 45 days after invoice date. Invoices may be issued to Customer by RelayHealth or any of the RelayHealth Affiliates, and Customer will comply with the remittance instructions printed on each invoice.

4.2 Expenses. Fees for the RelayHealth Solutions do not include any postage, packing, delivery, insurance charges, travel, third party fees or charges, network surcharges, government imposed access fees, fees resulting from changes in regulation or statute, or fees charged by communications common carriers or timesharing suppliers, which will be separately invoiced to and paid by Customer. With respect to travel related to providing services under this RSA, RelayHealth agrees to Customer's travel policy attached hereto as Exhibit C. Customer will reimburse RelayHealth for all other reasonable out-of-pocket expenses incurred in the course of providing the RelayHealth Solutions. Upon written request, RelayHealth will make available to Customer RelayHealth's documentation relating to these pass-through fees and charges.

4.3 Taxes. All amounts payable under this RSA and each Order Form are exclusive of sales, excise, use, value-added, withholding, and other taxes and duties (except for taxes payable on RelayHealth's net income). Customer will promptly pay, and indemnify RelayHealth against, all such taxes and duties,



unless Customer provides RelayHealth satisfactory evidence of an applicable tax exemption prior to the OF Effective Date.

4.4 Intentionally Omitted

4.5 Monitoring and Auditing. To ensure that Customer is in compliance with this RSA and the applicable usage limitations in each Order Form, RelayHealth may continuously monitor and audit Customer's usage of Subscription Services and Processing Services. Not more than once per calendar year, at its option and in its sole discretion, RelayHealth may request that Customer submit a written certification of its compliance with this RSA and each then-effective Order Form, executed by a duly elected or appointed officer or director of Customer, and Customer shall comply with such request within 30 days. RelayHealth may also, not more than once per calendar year, conduct an on-site audit of any number of Customer's Facilities, upon reasonable advance notice. If RelayHealth elects to conduct an audit, such audit will be conducted during regular business hours, and Customer will provide RelayHealth with reasonable access to all of Customer's relevant systems and records. If an audit reveals that Customer's use of any RelayHealth Solution exceeds the number of Customer Users, Facilities, Data Centers, Transactions, or other usage-based variables described in the applicable Order Form, then RelayHealth may immediately invoice Customer for all such past excess use, based on RelayHealth's Prevailing Rates in effect at the time the audit is completed, and Customer will pay any such invoice within 30 days. If such excess use exceeds five percent of Customer's permitted usage metric, or if the amount RelayHealth is entitled to invoice as a result of such audit exceeds 1/6 of the annual recurring fees for the applicable RelayHealth Solution, then RelayHealth is also entitled to include its direct, out-of-pocket costs for such audit in the invoice it sends to Customer, and Customer shall pay the total amount due within 30 days.

4.6 Price Increases. Prices shall remain firm for the initial term of any Order Form executed hereunder and, thereafter, may be adjusted annually as provided herein. Customer does not guarantee any minimum or maximum amount of dollars to be spent under this RSA. Negotiations for rate changes shall be commenced by RelayHealth a minimum of ninety (90) days prior to the expiration of any Order Form. Rate changes are not binding unless mutually agreed upon in writing by RelayHealth and Customer.

4.7 Invoice amounts shall be billed directly to the ordering department.

SECTION 5: GENERAL TERMS

5.1 Confidentiality and Proprietary Rights.

5.1.1 Use and Disclosure of Confidential Information. Each party may disclose Confidential Information to the other party, and each party that receives Confidential Information shall comply with the terms of this Section 5. Except as expressly permitted by this RSA, neither party will: (a) disclose the other party's Confidential Information except (i) to its employees or contractors who have a need to know and are bound by confidentiality terms no less restrictive than those contained in this Section 5.1, or (ii) to the extent required by law, following prompt notice of such legal obligation to the other party, or (b) use the other party's Confidential Information for any purpose other than performing its obligations under this RSA. Each party will use all reasonable care in handling and securing the other party's Confidential Information and will employ all security measures used for its own proprietary information of similar nature. Following the expiration or termination of this RSA, each party will, upon written request, return or destroy all of the other party's tangible Confidential Information in its possession and will promptly certify in writing to the other party that it has done so.

5.1.2 Period of Confidentiality. The restrictions on use, disclosure and reproduction of Confidential Information set forth in Section 5.1 will, with respect to Confidential Information that constitutes a "trade secret" (as that term is defined under applicable law), be perpetual, and will, with respect to other Confidential Information, remain in full force and effect during the term of this RSA and for three years following the termination or expiration of this RSA.



5.1.3 Injunctive Relief. The parties agree that (a) the breach, or threatened breach, of any provision of this Section 5.1, or (b) misuse of the other party's intellectual property, is likely to cause irreparable harm to a party without an adequate remedy at law. Upon any such breach, violation, or infringement, or threat thereof, a party will be entitled to seek injunctive relief to prevent the other party from commencing or continuing any action constituting such breach, violation, or infringement, without having to post a bond or other security, and without having to prove the inadequacy of other available remedies. Nothing in this Section 5.1.3 will limit any other remedy available to either party.

5.1.4 Retained Rights. Customer's rights in the RelayHealth Solutions will be limited to those expressly granted in this RSA and in the applicable Order Form. RelayHealth and its suppliers reserve all intellectual property rights not expressly granted to Customer. All Developments and other changes, modifications, improvements or new modules made or developed with regard to the RelayHealth Solutions, whether or not (a) made or developed at Customer's request, (b) made or developed in cooperation with Customer, or (c) made or developed by Customer, will be solely owned by RelayHealth (or its suppliers, if applicable). Customer acknowledges that portions of the RelayHealth Solutions contain RelayHealth's proprietary Trade Secrets, and Customer agrees not to take any step to derive a source code equivalent of the Software (e.g., disassemble, decompile, or reverse engineer the Software), or to permit any third party to do so. RelayHealth retains title to all Documentation and other materials created by RelayHealth for Customer under this RSA and each Order Form. RelayHealth grants Customer a limited license to use such Documentation and materials in accordance with this RSA and the applicable Order Form.

5.2 Intellectual Property Infringement.

5.2.1 Duty to Defend. RelayHealth will defend, indemnify, and hold Customer harmless from any action or other proceeding brought against Customer to the extent that it is based on an unrelated third-party claim which alleges (a) the use of any RelayHealth Solution delivered under this RSA infringes any U.S. copyright or U.S. patent or (b) the RelayHealth Solutions incorporate any misappropriated trade secrets. RelayHealth will pay costs and damages finally awarded against Customer as a result thereof; provided, that Customer (i) notifies RelayHealth of the claim within ten business days after Customer first learns of such third-party claim, (ii) provides RelayHealth with all reasonably requested cooperation, information and assistance, and (iii) gives RelayHealth sole authority to defend and settle the claim.

5.2.2 Exclusions. RelayHealth will have no obligations under Section 5.2.1 with respect to claims arising from: (a) modifications to RelayHealth Solutions that were not performed by RelayHealth or authorized by RelayHealth in writing, (b) custom interfaces, file conversions, or other programming for which RelayHealth does not exclusively develop the specifications or instructions, (c) use of any RelayHealth Solution in combination with products or services not provided by RelayHealth, if use of the RelayHealth Solution alone would not result in liability under Section 5.2.1, or (d) any use of the RelayHealth Solutions not authorized by this RSA, the applicable Order Form, or the applicable Documentation.

5.2.3 Infringement Remedies. If a claim of infringement or misappropriation for which Customer is entitled to be indemnified under Section 5.2.1 arises, then RelayHealth may, at its sole option and expense: (a) obtain for Customer the right to continue using such RelayHealth Solutions, (b) replace or modify such RelayHealth Solutions to avoid such a claim, provided that the replaced or modified RelayHealth Solutions are substantially equivalent in function to the affected RelayHealth Solutions, or (c) take possession of the affected RelayHealth Solutions, or terminate the affected RelayHealth Solutions, and terminate Customer's rights and RelayHealth's obligations under the applicable Order Form with respect to such terminated RelayHealth Solutions. Upon any such termination, RelayHealth will refund to Customer a pro-rated portion of any prepaid and unused fees with respect to the terminated RelayHealth Solutions.

5.2.4 Exclusive Remedy. THE FOREGOING ARE RELAYHEALTH'S SOLE AND EXCLUSIVE OBLIGATIONS, AND CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES, WITH RESPECT TO INTELLECTUAL PROPERTY INFRINGEMENT OR TRADE SECRET MISAPPROPRIATION.



5.3 Indemnification. Notwithstanding anything to the contrary contained in this RSA or any Order Form, Customer assumes the risk of liability for, and agrees, at its sole expense, to indemnify, defend, and hold RelayHealth, the RelayHealth Affiliates, and all other third-party RelayHealth suppliers, safe and harmless from and against any and all Claims sought by a third-party or a Customer User, that directly or indirectly arise out of or relate to: (a) Customer's or a Customer User's wrongful or negligent use of any RelayHealth Solution; (b) any unauthorized access to a RelayHealth Solution granted by Customer or a Customer User, or gained through Customer's or a Customer User's network, login credentials, or computing hardware; (c) Customer's or a Customer User's identity management errors, data mapping errors, connectivity errors, or inaccurate or corrupted data sent by Customer or a Customer User into a RelayHealth Solution; (d) Customer's non-compliance with any applicable federal, state, or local laws, rules, or regulations; or (e) any infringement Claim regarding Customer Marks or Customer-provided materials. This indemnity will survive the termination of the RSA and each applicable Order Form.

5.4 Limitation of Liability.

5.4.1 Total Damages. RELAYHEALTH'S TOTAL CUMULATIVE LIABILITY UNDER, IN CONNECTION WITH, OR RELATED TO THIS RSA AND EACH ORDER FORM WILL BE LIMITED TO THE TOTAL FEES PAID (LESS ANY REFUNDS OR CREDITS) BY CUSTOMER TO RELAYHEALTH, DURING THE 12-MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF THE CLAIM, UNDER THE APPLICABLE ORDER FORM FOR THE RELAYHEALTH SOLUTION WHICH GAVE RISE TO THE CLAIM, WHETHER BASED ON BREACH OF CONTRACT, WARRANTY, TORT, PRODUCT LIABILITY, OR OTHERWISE, AND WHETHER OR NOT RELAYHEALTH HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

5.4.2 Exclusion of Damages. IN NO EVENT WILL RELAYHEALTH BE LIABLE TO CUSTOMER UNDER, IN CONNECTION WITH, OR RELATED TO THIS RSA AND EACH ORDER FORM, FOR ANY SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR LOSS OF GOODWILL, WHETHER BASED ON BREACH OF CONTRACT, WARRANTY, TORT, PRODUCT LIABILITY, OR OTHERWISE, AND WHETHER OR NOT RELAYHEALTH HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

5.4.3 Material Consideration. THE PARTIES ACKNOWLEDGE THAT THE FOREGOING LIMITATIONS ARE A MATERIAL CONDITION FOR THEIR ENTRY INTO THIS RSA AND EACH ORDER FORM.

5.5 Professional Responsibility and Clinical Content Disclaimer. CUSTOMER ACKNOWLEDGES AND AGREES THAT ANY CLINICAL CONTENT FURNISHED BY RELAYHEALTH HEREUNDER (WHETHER SEPARATELY OR INCLUDED WITHIN A RELAYHEALTH SOLUTION) IS AN INFORMATION MANAGEMENT AND DIAGNOSTIC TOOL ONLY, AND THAT ITS USE CONTEMPLATES AND REQUIRES THE INVOLVEMENT OF TRAINED INDIVIDUALS. CUSTOMER FURTHER ACKNOWLEDGES AND AGREES THAT RELAYHEALTH HAS NOT REPRESENTED ITS RELAYHEALTH SOLUTIONS AS HAVING THE ABILITY TO DIAGNOSE DISEASE, PRESCRIBE TREATMENT, OR PERFORM ANY OTHER TASKS THAT CONSTITUTE THE PRACTICE OF MEDICINE. THE PARTIES AGREE THAT, AS BETWEEN CUSTOMER AND RELAYHEALTH, CUSTOMER IS RESPONSIBLE FOR THE ACCURACY AND QUALITY OF DATA CUSTOMER AND ITS USERS INPUT INTO THE RELAYHEALTH SOLUTIONS. CUSTOMER ACKNOWLEDGES THAT RELAYHEALTH: (A) HAS NO CONTROL OF OR RESPONSIBILITY FOR THE CUSTOMER'S USE OF THE CLINICAL CONTENT, AND (B) HAS NO KNOWLEDGE OF THE SPECIFIC OR UNIQUE CIRCUMSTANCES UNDER WHICH THE CLINICAL CONTENT PROVIDED MAY BE USED BY THE CUSTOMER. THE PARTIES AGREE THAT RELAYHEALTH DOES NOT PROVIDE MEDICAL SERVICES TO PATIENTS AND IS NOT ENGAGED IN THE PRACTICE OF MEDICINE, AND THAT CUSTOMER'S USE OF THE RELAYHEALTH SOLUTIONS DOES NOT ABSOLVE THE CUSTOMER OF ITS OBLIGATION TO EXERCISE INDEPENDENT MEDICAL JUDGMENT IN RENDERING HEALTH CARE SERVICES TO PATIENTS. CUSTOMER ACKNOWLEDGES THAT THE PROFESSIONAL DUTY TO THE PATIENT IN PROVIDING HEALTHCARE SERVICES LIES SOLELY WITH THE HEALTHCARE PROFESSIONAL PROVIDING SUCH SERVICES. RELAYHEALTH MAKES NO WARRANTY AS TO



THE NATURE OR QUALITY OF THE CONTENT OF RESULTS, MESSAGES OR INFORMATION SENT BY CUSTOMER, OR ANY THIRD-PARTY USERS OF THE CLINICAL CONTENT OR OTHER RELAYHEALTH SOLUTIONS.

5.6 Internet Disclaimer. RELAYHEALTH UTILIZES THE INTERNET TO PROVIDE CERTAIN RELAYHEALTH SOLUTIONS, INCLUDING, BUT NOT LIMITED TO, SUBSCRIPTION SERVICES. RELAYHEALTH DOES NOT WARRANT THAT SUCH RELAYHEALTH SOLUTIONS WILL BE UNINTERRUPTED, ERROR-FREE, OR COMPLETELY SECURE. RELAYHEALTH DOES NOT AND CANNOT CONTROL THE FLOW OF INFORMATION BETWEEN RELAYHEALTH'S AND CUSTOMER'S PRIVATE NETWORKS VIA THE INTERNET. CUSTOMER ACKNOWLEDGES THAT THE FLOW OF TRAFFIC OVER THE INTERNET DEPENDS IN LARGE PART ON SERVICES PROVIDED OR CONTROLLED BY THIRD PARTIES. CUSTOMER ALSO ACKNOWLEDGES THAT THE ACTIONS OR INACTIONS OF SUCH THIRD PARTIES CAN IMPAIR OR DISRUPT CUSTOMER'S CONNECTIONS TO THE INTERNET (OR PORTIONS THEREOF), AND CERTAIN PERFORMANCE QUALITIES OF THE RELAYHEALTH SOLUTIONS. ACCORDINGLY, RELAYHEALTH DISCLAIMS ANY AND ALL LIABILITY, RESULTING FROM OR RELATED TO INTERNET CONNECTIVITY AT THE FACILITIES OR THE TRANSPORT OF INFORMATION VIA THE INTERNET.

5.7 Termination.

5.7.1 Termination. A party may terminate this RSA or any Order Form issued under this RSA after timely notice to the other party, if the other party: (a) materially breaches this RSA or such Order Form and fails to remedy, or fails to commence reasonable efforts to remedy, such breach within 60 days after receiving notice of the breach from the terminating party, (b) infringes the terminating party's intellectual property rights and fails to remedy, or fails to commence reasonable efforts to remedy, such breach within ten days after receiving notice of the breach from the terminating party, (c) materially breaches this RSA or such Order Form in a manner that cannot be remedied, or (d) commences dissolution proceedings or ceases to operate in the ordinary course of business. In the event that RelayHealth is permitted to terminate an Order Form under this Section 5.7.1, RelayHealth may, at its sole option, elect to terminate any combination of other then-effective Order Forms, as well as this RSA. Except as otherwise provided above, termination of any individual Order Form will not affect the parties' rights and obligations under any other Order Forms executed by the parties prior or subsequent to such termination, and all such other Order Forms will remain in full force and effect unless and until each Order Form's respective expiration or termination in accordance with its terms or the terms of this RSA.

5.7.2 Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this RSA, if federal, state or local government terminates or reduces its funding to Customer for Products or Services that are to be provided under this RSA, Customer in its sole and absolute discretion after consultation with RelayHealth, may elect to terminate the affected Order Form by giving written notice of termination to RelayHealth effective immediately or on such other date as Customer specifies in the notice. Upon such termination, Customer agrees to remit all undisputed amounts due and payable up to and including the termination date of the affected Order Form. Alternatively, Customer and RelayHealth may mutually agree to amend this RSA and any Order Form in response to a reduction in federal, state or local funding.

5.7.3 Obligations upon Termination or Expiration. Upon the termination or expiration of this RSA or an Order Form, Customer will promptly (a) cease using all RelayHealth Solutions licensed and provided under each terminated Order Form, (b) purge all Software and other Products licensed under each terminated Order Form from all computer systems (including servers and personal computers), (c) return to RelayHealth or destroy all copies (including partial copies) of the Software and Clinical Content licensed and provided under each terminated Order Form, and (d) deliver to RelayHealth written certification of an officer of Customer that Customer has complied with its obligations in this Section 5.7.2 within 30 days after the effective date of such termination.

5.7.4 Survival of Provisions. Those provisions of this RSA and each Order Form that, by their nature, are intended to survive termination or expiration of this RSA will remain in full force and effect, including, without limitation, the following Sections of this RSA: 4 (Payment), 5.1 (Confidentiality and



Proprietary Rights), 5.2 (Intellectual Property Infringement), 5.4 (Limitation of Liability), 5.7.3 (Obligations upon Termination), 5.7.4 (Survival of Provisions), 5.8 (Books and Records), 5.10 (Discount Reporting) and 5.12 - 5.25 (Governing Law – Entire Agreement).

5.8 Books and Records. If required by Section 952 of the Omnibus Reconciliation Act of 1980, 42 U.S.C. Section 1395x(l)(i)(ii), for a period of four years after the Services are furnished, the parties agree that they, and each subcontractor who provides Services or Products under this RSA, will make available, upon the written request of the Secretary of Health and Human Services, the Comptroller General, or their representatives, this RSA and such books, documents, and records as may be necessary to verify the nature and extent of any combination of Services and Products with an aggregate value or cost of \$10,000 or more over a twelve month period.

5.9 Business Associate. In compliance with their respective legal duties regarding the privacy and security of protected health information, the parties agree to the obligations set forth on Exhibit B.

5.10 Discount Reporting. An Order Form may contain a discount that Customer is required to report in its cost reports or another appropriate manner under applicable federal and state anti-kickback laws, including 42 U.S.C. Sec. 1320a-7b(b)(3)(A) and the regulations found at 42 C.F.R. Sec. 1001.952(h). Customer will be responsible for reporting, disclosing and maintaining appropriate records with respect to the discount and making those records available under Medicare, Medicaid or other applicable government health care programs.

5.11 Disposition of Existing Agreements. Any and all Existing Agreements will continue in full force and effect in accordance with their terms. The Existing Agreements will not apply to any Products or Services acquired by Customer on or after the RSA Effective Date, all of which will be governed by this RSA, except as otherwise agreed by the parties.

5.12 Governing Law. This RSA and each Order Form is governed by and will be construed in accordance with the laws of the State of Georgia, exclusive of its rules governing choice of law and conflict of laws and any version of the Uniform Commercial Code. Each party agrees that exclusive venue for all actions arising out of or related in any manner to this RSA or any Order Form, will be in a federal or state court of competent jurisdiction located in Fulton County, Georgia. Any action arising out of or relating in any manner to this RSA or any Order Form, other than for collection of outstanding payments (including payments due for excess usage under Section 4.5), must be commenced within one year after the date upon which the cause of action accrued.

5.13 Assignment and Subcontracts. Customer may assign this RSA with at least 60 days' prior written notice to RelayHealth, so long as Customer remains secondarily liable for any and all executory obligations under this RSA. RelayHealth may, upon notice to Customer, assign this RSA to any RelayHealth Affiliate for any reason, or to any other entity as the result of a transfer of all or substantially all of RelayHealth's assets or capital stock or of any other corporate reorganization. RelayHealth may subcontract its obligations under this RSA.

5.14 Severability. If any part of a provision of this RSA or any Order Form is found illegal or unenforceable, it will be enforced to the maximum extent permissible, and the legality and enforceability of the remainder of that provision and all other provisions of this RSA and such Order Form will not be affected.

5.15 Notices. All notices relating to the parties' legal rights and remedies under this RSA will be provided in writing and will reference this RSA. Such notices will be deemed given if sent by: (a) postage prepaid registered or certified U.S. Post mail, then five working days after sending; or (b) commercial courier, then at the time of receipt confirmed by the recipient to the courier on delivery. All notices to Customer will be sent to its address set forth on the cover page hereto, or to such other address as may be designated by Customer by notice to RelayHealth. All notices to RelayHealth will be sent to its address set forth on the cover page hereto with a simultaneous copy to: RelayHealth Legal Group, 5995 Windward Parkway, Alpharetta, GA 30005.



5.16 Waiver. Failure to exercise or enforce any right under this RSA or an Order Form will not act as a waiver of such right.

5.17 Force Majeure. Except for the obligation to pay money, a party will not be liable to the other party for any failure or delay caused by a Force Majeure Event, whether or not such matters were foreseeable, and such failure or delay will not constitute a material breach of this RSA.

5.18 Amendment. Except as otherwise expressly provided herein, this RSA and each Order Form may be modified only by a written document executed by the authorized representatives of both parties. After the RSA Effective Date, the parties may amend this RSA to modify the Solution Schedules, or to add additional Solution Schedules, as well as execute additional Order Forms. Solution Schedules will become part of this RSA upon execution of such amendment by both parties.

5.19 No Third Party Beneficiaries. Except as specifically set forth in an Order Form, nothing in this RSA will confer any right, remedy, or obligation upon anyone other than Customer and RelayHealth.

5.20 Relationship of Parties. Each party is an independent contractor of the other party. This RSA will not be construed as constituting a relationship of employment, agency, partnership, joint venture or any other form of legal association. Neither party has any power to bind the other party or to assume or to create any obligation or responsibility on behalf of the other party or in the other party's name.

5.21 Non-solicitation of Employees. Neither party will directly or indirectly solicit for employment any employee of the other party during the Term and for a period of one year thereafter without the written consent of the other party. This prohibition will not apply if an employee answers a party's notice of a job listing or opening, advertisement or similar general publication of a job search or availability for employment.

5.22 Publicity. The parties may publicly announce that they have entered into this RSA and describe their relationship in general terms, excluding financial terms. Neither party will make any other public announcement or press release regarding this RSA or any activities performed hereunder without the prior written consent of the other party.

5.23 Construction of Agreement. This RSA will not be presumptively construed for or against either party. Section titles are for convenience only. As used in this RSA, "will" means "shall," and "include" means "includes without limitation." The parties may execute this RSA and each Order Form in one or more counterparts, each of which will be deemed an original and one and the same instrument.

5.24 Conflict Between Agreement and Schedules. In the event of any conflict or inconsistency in the interpretation of this RSA (including its Solution Schedules and all Order Forms executed hereunder), such conflict or inconsistency will be resolved by giving precedence according to the following order: (a) the Order Form, (b) the Solution Schedule, (c) the RSA Terms and Conditions and Exhibit A (Definitions), and (d) Exhibit B (the Business Associate Agreement), and (e) documents incorporated by reference. For the sake of clarity, the terms and conditions of any Order Form apply only to the RelayCare Solutions, Products, and Services licensed and provided pursuant to such Order Form.

5.25 Insurance.

Without limiting the indemnification of either party to this RSA, each party shall maintain or cause to be maintained the following insurance coverage:

5.25.1 Evidence of Coverage:

Prior to commencement of this RSA, RelayHealth shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained.

This verification of coverage shall be sent to Customer's Contracts/Purchasing Department, unless otherwise directed. RelayHealth shall not receive a "Notice to



Proceed" with the work under this RSA until it has obtained all insurance required. This approval of insurance shall neither relieve nor decrease the liability of RelayHealth.

5.25.2 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 the County's Purchasing Manager.

5.25.3 Insurance Coverage Requirements:

Without limiting RelayHealth's duty to indemnify, RelayHealth shall maintain in effect throughout the term of this RSA a policy or policies of insurance with the following minimum limits of liability:

1) Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, 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 and \$3,000,000 annual aggregate.

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

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

4) 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 annual 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, RelayHealth shall, upon the expiration or earlier termination of this RSA, 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 RSA.

During the Term of this RSA, Customer shall maintain, in full force and effect, at its own cost, a policy or policies of insurance with the lower of either (a) the limits required under California state statutes, or (b) the following limits:

1) Statutory Workers' Compensation in accordance with applicable laws and including Employer's Liability insurance if required by statute;

2) Commercial General Liability insurance with coverage for premises and operations, advertising injury, personal injury, bodily injury, property damage, contractual liability, products and completed operations with limits of \$5,000,000 per occurrence and \$10,000,000 in the annual aggregate;



3) Professional Errors and Omissions Liability insurance including privacy and security with minimum policy limits of \$5,000,000 USD per claim and \$5,000,000 USD in the annual aggregate.

5.25.4 Other Insurance Requirements.

Unless otherwise specified by this RSA, 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 RelayHealth completes its performance of services under this RSA.

Each liability policy shall provide that Customer shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, or intended non-renewal thereof. RelayHealth shall give Customer notice of cancellation, prior to policy expiration."

Prior to the execution of this RSA by Customer, RelayHealth shall file certificates of insurance with Customer's contract administrator and Customer's Contracts/Purchasing Division, showing that RelayHealth has in effect the insurance required by this RSA. RelayHealth 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 RSA, which shall continue in full force and effect.

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

5.25.5 RelayHealth or its affiliates use of self-insurance or captive insurance is deemed to satisfy all insurance requirements under this RSA.

5.26 Entire Agreement. Except with regard to Existing Agreements governed by Section 5.11, above, this RSA and the Order Forms executed hereunder, including all Solution Schedules, Exhibits, and other documents incorporated herein and therein by reference, constitute the complete and exclusive agreement between the parties with respect to the subject matter hereof, superseding and replacing all prior agreements, communications, and understandings (written and oral) regarding its subject matter. Terms and conditions on or attached to Customer purchase orders will be of no force or effect, even if acknowledged or accepted by RelayHealth.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]



EXHIBIT A

DEFINITIONS

“Affiliated Physician Customer User” means a Physician affiliated with a Customer who is a Customer User.

“Claim” means all liabilities, losses, damages, claims and expenses (including legal expenses of any kind and nature).

“Clinical Content” means medical or clinical information such as terminology, vocabularies, decision support rules, alerts, drug interaction knowledge, care pathway knowledge, standard ranges of normal or expected result values, and any other clinical content or rules provided to Customer under an Order Form, together with any related Documentation. Depending on the intended usage, Clinical Content may be provided in either paper or electronic formats.

“Clinical Solutions” means RelayHealth’s provision of any clinical Services and Software described in Solution Schedule 2 and any Order Form attendant thereto.

“Confidential Information” means non-public information, including, but not limited to, technical, marketing, financial, personnel, planning, and other information that is either marked confidential, or which the receiving party should reasonably know to be confidential. Confidential Information includes this RSA, all Order Forms, and a party’s Trade Secrets. Confidential Information does not include: (a) information lawfully obtained or created by the receiving party independently of the disclosing party’s Confidential Information without breach of any obligation of confidence, (b) information that enters the public domain without breach of any obligation of confidence, or (c) Protected Health Information or PHI (as defined in Exhibit B), the protection of which will be governed by Exhibit B.

“Control Laws” means any and all governmental laws, orders and other restrictions regarding the import, export, re-export or use of Products outside of the U.S.

“Customer Marks” means the trademarks, service marks, logos, trade names and other indicia of origin of Customer.

“Customer User” means, (a) with respect to Financial Solutions and Patient Solutions only, each respective authorized user of the Financial Solutions or Patient Solutions, (b) with respect to the Clinical Solutions, each Physician Customer User, and each non-physician staff member or other individual authorized to use the Clinical Solutions by Customer or a Physician Customer User (including by the health care provider group with whom such Physician Customer User is associated, whether affiliated with or owned by Customer). Customer Users are either (**“Employed Customer Users”**) if such individual is employed by Customer, or (**“Affiliated Customer Users”**) if such individual is affiliated with Customer. For the purposes of this RSA (excluding Solution Schedules 1, 2, 3, and 5), a Customer User also means a “Permitted User” as defined in Solution Schedule 4, the RelayCare Software and Services Solution Schedule.

“Customized Materials” mean Materials that are customized for Customer.

“Data Center” means a data center facility located in the U.S. and operated by either (i) Customer or Customer’s agent (if such agent is pre-approved by RelayHealth and identified in an Order Form or an amendment thereto), (ii) RelayHealth, or (iii) a RelayHealth agent, delegee, or other subcontractor.

“Developments” means modifications to RelayHealth Solutions that may have been based in whole or in part on Customer’s modification requests, feature suggestions, feedback, or other interactions between the parties, including Customer’s disclosure to RelayHealth or any RelayHealth Affiliate of ideas, know-how, and forms of expression concerning or related to the RelayHealth Solutions.



“Documentation” means user guides, operating manuals, terms of use, implementation guides, and other documents, terms, and policies that apply to the RelayHealth Solutions, as may be reasonably modified from time to time by RelayHealth.

“Employed Physician Customer User” means a Physician employed by Customer.

“Exhibit” means any exhibit or attachment to this RSA or an Order Form.

“Existing Agreements” means any and all agreements between Customer and RelayHealth executed prior to the Effective Date of this RSA.

“Facility” means a healthcare facility or health plan located in the U.S. and operated by Customer that is identified in an Order Form.

“Financial Solutions” means RelayHealth’s provision of the Processing Services and other RelayHealth Solutions described in Solution Schedule 1, and any Order Form attendant thereto.

“Force Majeure Event” means any cause beyond the reasonable control of a party that could not, by reasonable diligence, be avoided, including acts of God, acts of war, terrorism, riots, embargoes, acts of civil or military authorities, denial of or delays in processing of export license applications, fire, floods, earthquakes, accidents, or strikes.

“Generally Available” means available as a non-development RelayHealth Solution, licensed or sold by RelayHealth in the general commercial marketplace.

“Implementation Plan” means a document mutually developed and executed by the parties upon or following an OF Effective Date, that specifies the projected milestone dates for the performance of Implementation Services and Customer’s prerequisite tasks.

“Implementation Services” means Services related to the installation, implementation, and go-live of a RelayHealth Solution, as specified in an Order Form.

“Live Date” (unless otherwise provided in an applicable Order Form) means the earlier of either (a) the date when a Processing Service, Subscription Service, or Software installation, as applicable, is first available for Customer’s use to process actual Customer data (whether in a live or test environment), or available for viewing Clinical Content, (b) the date specified in the applicable Implementation Plan as the projected Live Date of such Processing Service, Subscription Service, or Software installation, or (c) solely regarding a Software installation under Solution Schedule 4, the date of the technical staging conference call during which RelayHealth confirms to Customer that the Software is ready for education and general access use.

“Login Credentials” means a Customer User’s unique user identification and password combination, as well as any other applicable security measures, that are required to allow such Customer User to gain access to Clinical Content, Software, Subscription Services, or any other secured RelayHealth Solutions.

“Materials” means paper, envelopes, business forms, inserts and other raw materials used and consumed in the Processing Services.

“MedGift Services” means the RelayHealth Solutions described in Solution Schedule 5 and any Order Form attendant thereto.

“Non-Physician Professional” means an individual, who is licensed, certified or otherwise designated to assist physicians in providing healthcare services to patients and includes a nurse practitioner, physician assistant, therapist, technician and social worker.

“OF” or “Order Form” means RelayHealth’s form addendum to this RSA, duly executed by both parties, pursuant to which Customer may order specific RelayHealth Solutions described in a Solution Schedule or in such Order Form.



"OF Effective Date" means the effective date of an Order Form, as set forth therein.

"Patient Solutions" means RelayHealth's provision of the RelayHealth Solutions described in Solution Schedule 3 and any Order Form attendant thereto.

"Physician" means an individual legally licensed to provide healthcare services to patients as a "physician," "doctor," or other similar designation, and includes a medical or dental doctor, optometrist, certified consulting psychologist, osteopath, and chiropractor.

"Physician Customer User" means each Employed Physician Customer User, Affiliated Physician Customer User, or Non-Physician Professional, that Customer identifies in writing to RelayHealth as a Customer User of a RelayHealth Solution.

"Prevailing Rate" means RelayHealth's standard fees in effect at the time RelayHealth performs Professional Services, or other Services provided on a Time and Materials basis, or at the time an applicable RelayHealth Solution is initially ordered or renewed.

"Processing Services" means the Transaction processing Services, and related Subscription Services, described in an applicable Solution Schedule, that RelayHealth will provide to Customer under an Order Form.

"Products" means all Clinical Content, Documentation, Software, and any other materials provided to Customer pursuant to an Order Form.

"Professional Services" means any development, training, technical or non-technical consulting, programming, optimizations or other professional Services (excluding Implementation Services) that RelayHealth provides to Customer pursuant to an Order Form.

"Provider" means a Physician or Non-Physician Professional who is employed by, or under contract to provide health care services on behalf of, Customer or its affiliates, whether full or part-time.

"RelayCare Software and Services" means the RelayHealth Solutions described in Solution Schedule 4 and any Order Form attendant thereto.

"RelayHealth" means RelayHealth, a division of McKesson Technologies Inc.

"RelayHealth Affiliates" means any U.S. entities that, now or in the future, are controlled by or under common control with McKesson Technologies Inc., excluding but not limited to PST Services, Inc., that license or sell Products or Services described on an Order Form to Customer.

"RelayHealth Solutions" means all Products and Services, including but not limited to, the Financial Solutions, Clinical Solutions, Patient Solutions, RelayCare Software and Services, and MedGift Services.

"Regulated Material" means the portion of a RelayHealth Solution that consists of material that is subject to Control Laws.

"RSA Effective Date" means the effective date of this RSA.

"RSA" means this RelayHealth Services Agreement, including the preamble, Sections 1 through 5 of the RSA Terms and Conditions, and all attached Exhibits and Solution Schedules. Each use of the term "RSA" from within a Solution Schedule means the RSA (as defined in the previous sentence), excluding each Solution Schedule other than the Solution Schedule in which the term is being used.

"Services" means all services that RelayHealth will provide to Customer under all Order Forms, including, but not limited to, Implementation Services, Processing Services, Professional Services, Subscription Services, and other Services performed on a Time and Materials basis.



“Software” means (a) with respect to the RelayCare Software and Services, software in object code form only (and related Documentation) identified in an Order Form or otherwise provided by RelayHealth to Customer, including any Upgrades that RelayHealth provides to Customer, and (b) with respect to Subscription Services (and related Documentation), software owned or licensed by RelayHealth that is used in providing the Subscription Services.

“Solution Schedule” means each of the numbered Solution Schedules attached to this RSA, whether on the RSA Effective Date, or incorporated thereafter by amendment.

“Subscription Service” means a remotely hosted computing Service, provided to Customer by RelayHealth or a Relay Health Affiliate as part of a RelayHealth Solution, whether under this RSA or an Order Form.

“Term” means the term of this RSA, as set forth in Section 3.1.2., above.

“Time and Materials” or “T&M” means Services provided by RelayHealth, that are charged to Customer on a time-and-materials basis, with fees calculated based on the hours spent by RelayHealth personnel in providing such Services multiplied by the applicable Prevailing Rate. Upon request, RelayHealth may provide Customer with an estimate of the Time and Materials fees applicable to a given task, but any such estimate is not binding on RelayHealth.

“Trade Secrets” means information and materials entitled to protection as trade secrets under applicable state law.

“Transaction” means information received from Customer or its agent that is processed by RelayHealth, including, but not limited to, a distinct claim, remit, information request, statement, collection letter, print image, patient estimation letter or other item.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]



EXHIBIT B

BUSINESS ASSOCIATE ADDENDUM

This Business Associate Addendum ("Agreement") is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and RelayHealth, a division of McKesson Technologies Inc. ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") pursuant to a written agreement (the "Underlying Agreement") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, certain provisions of HIPAA now directly regulate apply to Business Associate under the Privacy Rule and the Security Rule in the same manner that such sections apply to Covered Entity. Business Associate agrees to comply with applicable requirements imposed under the HIPAA Final Rule, including any amendments thereto. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 et seq. ("CMIA"), where and if applicable to Business Associate and the Services.

The Parties agree as follows:

1. DEFINITIONS

"Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402 and shall mean generally 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; if applicable to Business Associate, the term "Breach" shall also mean a "breach of the security of the system" under Cal. Civil Code §1798.82.

"Designated Record Set" will have the same meaning as the term "designated record set" in 45 C.F.R. § 164.501.

"Electronic Protected Health Information" or **"Electronic PHI"** will have the meaning given to such term under the Privacy Rule and the Security Rule, including, but not limited to, 45 C.F.R. § 160.103, as applied to the information that Business Associate creates, receives, maintains or transmits from or on behalf of Covered Entity.

"Individual" will have the same meaning as the term "individual" in 45 C.F.R. § 160.103 and will include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

"Protected Health Information" or **"PHI"** will have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, as applied to the information created, received, maintained or transmitted by Business Associate from or on behalf of Covered Entity.

"Required by Law" will have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.

"Secretary" will mean the Secretary of the Department of Health and Human Services or his or her designee.



“**Services**” shall mean the services for or functions on behalf of Covered Entity performed by Business Associate pursuant to the Underlying Agreement between Covered Entity and Business Associate to which this Addendum applies.

“**Security Incident**” will have the meaning given to such term in 45 C.F.R. § 164.304.

“**Unsecured PHI**” will have the same meaning given to such term under 45 C.F.R. § 164.402, and guidance promulgated thereunder.

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary (in accordance with 45 C.F.R. § 164.514(d)) to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or, if applicable, violate the CMIA

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for 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 the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner 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 persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which 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);

(g) in accordance with 45 C.F.R. § 164.514(b), de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure for the purposes of internal monitoring, product development, product improvements and the reporting of information to governmental authorities only to the extent such use or disclosure of de-identified data is not prohibited by applicable law and in order to provide Services pursuant to the Underlying Agreement .

2.2 Obligations of Covered Entity. Except as expressly provided in the Underlying Agreement or this Agreement, Business Associate will not assume any obligations of Covered Entity under the Privacy Rule. To the extent that Business Associate is to carry out any of Covered Entity's obligations under the



Privacy Rule (as expressly set forth in the Underlying Agreement or this Agreement), Business Associate will comply with such requirements that apply to Covered Entity in the performance of such obligations.

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) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of Unsecured PHI as specified by HITECH, within two (2) days of Business Associate's discovery of such unauthorized use and/or disclosure and/or Breach affecting Unsecured PHI or Unsecured Personal Information created, received, maintained or transmitted by Business Associate from or on behalf of Covered Entity pursuant to the Underlying Agreement and this Agreement. In the event of such a Breach of Unsecured PHI, the Business Associate shall, subject to the limits set forth in Section 5.4 (Limitation of Liability) of the Underlying Agreement mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. Covered Entity and Business Associate shall mutually agree upon the timing and method of providing notification of such Breach of Unsecured PHI to the affected Individual(s), the appropriate government agencies, and, if applicable, the media. The notification to Covered Entity of any Breach of Unsecured PHI shall include, to the extent possible, the identification of each Individual whose Unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during such Breach. In the event of a Breach that is attributable solely to the acts or omissions of Business Associate and where the HIPAA Rules require notice to Individuals pursuant to 45 C.F.R. §§ 164.404 and 164.406, Business Associate agrees to reimburse Covered Entity for the reasonable and substantiated costs related to providing such notifications and credit monitoring (if appropriate) to affected Individuals pursuant to 45 C.F.R. §§ 164.404 and 164.406, whose Unsecured PHI has or may have been compromised as a result of the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agent agree to adhere to the same or substantially similar restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) 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, as well as. 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 twelve (12) business 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 twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

(h) where applicable, disclose to its subcontractors, agents 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 PHI is maintained in a Designated Record Set by Business Associate:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity for the Individual to whom such PHI relates to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make such information available so that Covered Entity may make any amendment(s) to the PHI that Covered Entity has been requested to make pursuant to 45 C.F.R. § 164.526; and

(iii) to the extent a written request for access or amendment is made to Business Associate directly from an Individual, or where an Individual inquires as to his or her right to such access or amendment to Business Associate directly, then Business Associate agrees to forward such request to Covered Entity or direct the Individual to Covered Entity within five (5) business days;

(j) notify the Covered Entity of the Business Associate's receipt of any third party (non-Individual) requests or subpoena for PHI, as soon as reasonably practicable. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall reasonably cooperate with the Covered Entity in such challenge.

(k) The 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.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business



Associate's discovery of such Security Incident affecting PHI. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, subject to the limits set forth in Section 5.4 (Limitation of Liability) of the Underlying Agreement, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. Notwithstanding the foregoing, this section constitutes notice by Business Associate to Covered Entity of the ongoing existence and occurrence of attempted but Unsuccessful Security Incidents. "Unsuccessful Security Incidents" will include, but not be limited to, pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denials of service and any combination of the above, so long as no such incident results in unauthorized access, use or disclosure of PHI.

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) at least fifteen (15) days prior to the effective date of such change, notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R. § 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) at least fifteen (15) days prior to the effective date of such change, 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;

(d) at least fifteen (15) days prior to the effective date of such change, 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

(e) at least fifteen (15) days prior to the effective date of such change, notify Business Associate, in writing and in a timely manner, 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. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect until all PHI in Business Associate's possession has been returned to Covered Entity or destroyed.

4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and the Underlying Agreement if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 [reserved]

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession



of its subcontractors or agents. 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 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 or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 3.1, 4.4 and 5.7 shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This Agreement 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 the HIPAA or HITECH Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement 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 Agreement 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:

RelayHealth, a division of McKesson Technologies Inc.
5995 Windward Parkway
Alpharetta, GA 30005
Attn: General Counsel

If to Covered Entity, to:

1270 Natividad Road
Salinas, CA 93906
Attn: Ray Bullick
Tel: (831) 755-4526
Fax:

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 Agreement 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 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA. ~~In the event of any inconsistency between the provisions of this Agreement and the~~



Underlying Agreement, the provisions of this Agreement will control. In the event that a court or regulatory agency with authority over Business Associate or Covered Entity interprets the mandatory provisions of the Privacy Rule, the Security Rule or the HIPAA Final Rule, in a way that is inconsistent with the provisions of this Agreement, such interpretation will control. Where provisions of this Agreement are different from those mandated in the Privacy Rule, the Security Rule, or the HIPAA Final Rule, but are nonetheless permitted by such rules as interpreted by courts or agencies, the provisions of this Agreement will control.

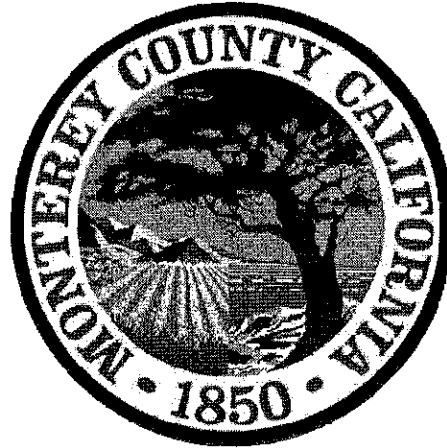
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]



The County of Monterey, a political subdivision of the State of
California, on behalf of the Monterey County Health Department
Customer No: TBD
RSA161004080
January 14, 2016

EXHIBIT C
CUSTOMER TRAVEL POLICY

Customer's travel policy begins on the following page



TRAVEL AND BUSINESS EXPENSE REIMBURSEMENT POLICY

Revised December 11, 2012

TABLE OF CONTENTS

	Page
I. PURPOSE.....	1
II. SCOPE.....	1
III. DEFINITIONS.....	1
IV. AUTHORIZATION TO TRAVEL.....	2
A. General Conditions.....	2
B. In-County Travel.....	3
C. Out-of-County Travel.....	3
D. Travel Requests.....	3
V. TRAVEL EXPENSES.....	4
A. General Conditions.....	4
B. Transportation Expenses.....	4
C. Meal Expenses.....	10
D. Lodging Expenses.....	12
E. Registration Fees.....	14
F. Other Travel Expenses.....	14
VI. OTHER COUNTY BUSINESS EXPENSES	
VII. CLAIMING PROCEDURES FOR OUT-OF-COUNTY TRAVEL.....	14
A. Travel Advance Claims.....	14
B. Prepaid Vendor Claims.....	16
C. Travel Reimbursement Claims.....	17
D. Mileage Claims.....	18
E. Reimbursement by Outside Source.....	18
F. Late Claims.....	19
G. Travel Card Usage.....	19
VIII. INTERPRETATIONS.....	19
IX. EXCEPTIONS.....	19
X. CONFLICT WITH RULES.....	19

I. PURPOSE

The purpose of this policy is to establish uniform travel and business expense reimbursement policies, rules and claim procedures for persons authorized to conduct County business.

II. SCOPE

The County travel and business expense reimbursement policy applies to all County employees, members of legislative bodies established by the Board (salaried or not), non-County employees (such as contractors who receive travel and/or business expense reimbursements) and volunteers traveling on County business.

III. DEFINITIONS

Unless the context otherwise requires, the definitions contained in this part govern the construction of this policy. They do not necessarily apply in other County contexts.

A. Accountable Expense Reimbursement Plan

Reimbursements of travel and other business expenses to a County employee, contractor or volunteer will be considered to be made under an "Accountable Expense Reimbursement Plan" if the following three requirements are met:

- The person substantiates his or her expenses by submitting an expense report with
 - 1) the amount of the expenditure,
 - 2) the time and place of the travel or business entertainment,
 - 3) the business purpose of the expenditure, and
 - 4) the names and business relationship of any persons entertained.
- The person documents the expenses with supporting receipts, paid bills, etc. within 60 days after the expense is paid or incurred, and
- Excess advances, if any, are repaid to the County within 120 days after the expense is paid or incurred.

"County" means the County of Monterey.

B. County Business

"County business" means the activity directly related to the ordinary, necessary and/or required business functions of the County of Monterey ("County"). It does not include travel or expenses related to an employee's participation in the County's Educational Assistance Program or commuting expenses (a non-reimbursable expense).

C. County Employee

"County employee" means any County officer or employee, whether elected or appointed, filling a budgeted position approved by the Board of Supervisors.

Independent contractors and their employees are not County employees.

D. County Traveler

"County traveler" means any County employee, authorized non-County employee (such as a contractor) or volunteer traveling on County business. Agency temporary employees are not covered by this policy and are not reimbursable for travel.

E. County Volunteer

"County volunteer" means a person, other than a County employee, who performs volunteer work authorized by a department or the Board of Supervisors for the County, such as a department volunteer, a commissioner or a member of an interview panel. It does not include agency temps, inmates, wards or probationers working for the County.

F. Home

"Home" means the actual dwelling place of the County traveler without regard to any other legal or mailing address.

G. Main or Regular Place of Work

"Main or regular place of work" means the principal place of business for the County employee or the principal location to which the County volunteer/contractor is assigned to work for the County. This may be the place at which s/he spends the largest portion of his/her regular County workday or working time or, in the case of field workers, the assigned location/headquarters to which s/he returns upon completion of regular or special assignments.

H. Meals

Meals that are 1) directly related or associated with bona fide County business matters and 2) approved for reimbursement by a member of the Board of Supervisors or a department head (or his or her designee) will be considered a reimbursable County business expense, if incurred in connection with out-of-County business travel or while conducting in-County business. Also, reimbursement for the provision of in-kind meals to employees on the business premises of the County will only be allowed if there is a substantial non-compensatory business reason for providing such meals to employees.

I. Temporary Work Location

"Temporary work location" means the place where the County employee, volunteer or contractor is assigned on an irregular or short-term basis. If an employee is assigned to a work location for no more than 35 work days during a calendar year, then the location is considered temporary. Attending conferences, meeting or training sessions away from the main or regular place of work by County employees or volunteers, or field

workers conducting fieldwork at off-site locations, does not normally constitute assignment to another site. If the employee is assigned for more than 35 work days during the calendar year, the new location has become the main or regular place of work.

J. Vehicle

"Vehicle" means a motor vehicle, which can be legally operated on public highways.

IV. AUTHORIZATION TO TRAVEL

A. General Conditions

1. Travel will be authorized only when the travel is necessary and in the best interest of the County.
2. Advance authorization is required for all County travel, as specified in B & C.
3. Advance written authorization from the County Administrative Officer is required for all County travel by County volunteers, except as follows:
 - a) Travel by appointed members of County boards, commissions, or advisory committees to and from the official meetings of their respective boards.
 - b) Travel to and from the County for members of personnel interview panels, subject to authorization by the Human Resources Department.
 - c) Travel to and from meetings, conferences and training covered by the County MHSA plan, subject to authorization by the Behavioral Health Program Manager or designee.

B. In-County Travel

County employees are authorized to travel within the County when said travel is required by the department and is considered a part of the routine, day-to-day official duties of the employee as defined and authorized by the department head or his/her designee. All other in-County travel requires advance authorization by the department head or his/her designee.

C. Out-of-County Travel

1. All travel outside of the County, but within the State of California, requires advance authorization by the department head, or his/her designee. Travel by immediate staff of a member of the Board of Supervisors requires the advance authorization of the respective Board member.

2. All travel outside of the State of California requires advance written authorization by the department head, or his/her designee. Travel by immediate staff of a member of the Board of Supervisors requires the advance authorization of the respective Board member.
3. Authorization for out-of-state travel by current members of the Board of Supervisors is subject to the guidelines established by the Board.

D. Travel Requests

Travel requests that require department head authorization shall be submitted to the department head pursuant to department policy. If the traveler is requesting a travel advance, an approved "County of Monterey Travel Request" form (usually in the form of a "white claim" or "GAX"), accompanied by all documentation relative to the request, shall be forwarded to the Auditor-Controller.

V. TRAVEL EXPENSES

A. General Conditions

1. County travelers are entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals for authorized travel, subject to the conditions set forth in this Travel and Business Expense Reimbursement Policy ("Policy"), whenever the expenses are incurred as part of his/her official duties and authorized because the County traveler is required to work, attend a school, training, meeting or convention overnight at a location sufficiently distant from main or regular place of work to qualify under this policy for meal per diem and overnight lodging.
2. Notwithstanding Section 1 above, claims shall be paid subject to the rules set forth in this Policy and statutory law. Eligibility to submit a claim does not automatically entitle the claimant to reimbursement for any and all expenses.
3. County travelers receiving reimbursement from an outside source for travel on County time shall forward said reimbursement to the County Auditor-Controller for handling and deposit if the traveler intends to submit an expense claim to the County or use County resources to travel. Said travelers shall then be entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals, subject to the conditions set forth in this travel policy.
4. Arrangements for transportation, lodging or registration fees that have cancellation or change penalties shall be carefully monitored by the department. If cancellation/change occurs due to direction by the County traveler's department head, or his/her designee, or the County Administrative Officer, the County department will cover the penalty cost. If the cancellation/change occurs due to a traveler's personal request or obligations, the traveler will be required to pay the

penalty. Exceptions shall be made when a traveler is unable to travel because of hospitalization, serious sickness or death of self or an immediate family member or when the department head certifies that the reason for the employee's absence was legitimate and authorized.

B. Transportation Expenses

1. General Conditions

- a) Transportation expenses are the direct costs related to movement of the County traveler from authorized point of departure to destination of travel and back to the authorized point of return.
- b) All transportation expenses incurred shall be based upon the most efficient, direct, and economical mode of transportation required by the occasion.
- c) Whenever a time frame is established as criteria for eligibility for claiming, such as the requirements set forth for meals in Section V, subsection C. 1. d., estimated travel time shall be based upon legal vehicle speed limits, volume of traffic, and weather conditions in effect at the time of travel.

2. Vehicle Transportation

Vehicle use (both County-owned and private) by authorized County travelers during the conduct of official County business is subject to the County Vehicle Use Policy.

a) Private Vehicle

- (1) Travel by private vehicle will be reimbursed at the IRS rate for business use of a personal vehicle in effect in the County at the time of travel.
- (2) Authorized County travelers who travel in a vehicle other than their own may not claim mileage for business use of a private vehicle but may claim reimbursement of actual fuel expenses necessary for the trip and expended by the traveler. Receipts are required and should be claimed by the employee actually paying the expense.
- (3) Authorized County travelers may not claim mileage for business use of a private vehicle in the following instances:
 - (a) when the County traveler is riding with someone who will be claiming reimbursement for the vehicle's use from the County or another source;
 - (b) when the County traveler is traveling in a County or other government

•

agency vehicle;

- (c) when the County traveler is traveling in a rented vehicle (paid by County);
 - (d) when the County traveler has been assigned a County Vehicle for home retention, is receiving an allowance or lump sum for mileage, unless specifically provided for in the terms of their agreement or contract with the County or by Board resolution.
- (4) County employee mileage to the regular or main place of work from home, and back, is considered commuting and may not be claimed.
 - (5) County employee mileage to the temporary work location from home, and back, is considered commuting and may not be claimed except in the following cases:
 - (a) if the County employee is required to report to the regular or main place of work before reporting to the temporary work location, s/he is eligible for mileage from the regular or main place of work to the temporary work location;
 - (b) if the County employee is required to report to the regular or main place of work after working at the temporary work location and before going home, s/he is eligible for mileage from the temporary work location to the regular or main place of work.
 - (6) Mileage in conjunction with authorized County travel to and from a school, training, convention or meeting shall be based on the distance to the destination from the traveler's home or the regular or main place of work, whichever is less, except in the following cases:
 - (a) if the traveler is required to report to his/her work location before leaving, s/he is eligible for mileage to the school, training, convention/meeting from the work location.
 - (b) if the traveler is required to report to his/her work location before returning home, s/he is eligible for mileage based on the distance from the school, training, convention/meeting to the work location.
 - (7) Appointed volunteer members of County boards, commissions, or advisory committees may claim mileage to the official meetings of their respective boards from home, and back.
 - (8) Members of personnel interview panels may claim mileage to the panel location from their regular or main place of work, and back.

- (9) When two or more County travelers from the same department are traveling to the same site by vehicle, they should use only as many vehicles as are required to accommodate the number of travelers and business needs of the County. If a County traveler chooses to use a separate private vehicle because of personal preferences or obligations, h/she shall not be eligible for mileage or fuel reimbursement for the travel unless the department head determines that reimbursement is appropriate and justified.
- (10) If a County traveler chooses to use a private vehicle instead of an alternative mode of transportation chosen by the department head because of personal preferences or obligations, his/her mileage reimbursement shall not exceed the cost of using the alternative mode of transportation unless the department head determines that the additional reimbursement is appropriate and justified.

b) County Vehicle Transportation

- (1) County travelers using a County vehicle for traveling shall not be eligible for reimbursement for mileage.
- (2) County travelers required to fuel a County vehicle at their own expense should claim the actual fuel costs expended by them. Receipts must accompany the claim. Vehicle license number and the odometer reading should be written on the receipts.
- (3) If the County vehicle experiences mechanical failure, the County traveler shall follow the rules set forth in the "Mechanical Failure" section of the "Vehicle Operator's Handbook" located in the glove compartment of each County vehicle.

c) Rental Vehicle Transportation

- (1) Vehicles may be rented for transportation at the destination point when the County traveler travels to the destination via commercial common carrier and the cost of the rental will be less than the charge for shuttle or taxi service to and from the carrier termination point to the function or hotel accommodations.
- (2) Vehicles may be rented for transportation to the destination point when the cost of the rental will be less than other reasonable and available modes of transportation.
- (3) If more than one County traveler from the same department is traveling to the same function, only one rental vehicle may be claimed and then only if

it is available for use by all of the County travelers.

- (4) The County traveler shall choose the least expensive size and mileage limits appropriate to the use required. Rental expenses for luxury cars, motorcycles and recreational vehicles may not be claimed.
- (5) Rental cars shall be refueled prior to return to the rental agency to reduce cost to the County. Rental cars should be returned to the renting location and on time to avoid additional charges.
- (6) When traveling domestically the County traveler shall waive additional vehicle insurance (except for additional driver and coverage for drivers under 25 years of age), provided that the employee has his/her own vehicle insurance coverage. When traveling internationally additional insurance should be accepted if the traveler lacks other similar coverage.
- (7) An original car rental receipt showing the number of days and type of vehicle rented is required for vehicle rental claims. A copy of the receipt or a credit card receipt alone is insufficient.

d) Commercial Carrier Transportation

- (1) County travelers shall seek and attempt to use the lowest rates available for the type of commercial carrier service being utilized. Whenever possible, travelers should take advantage of flight arrangements that minimize County cost (for example, purchasing a round trip ticket may be less expensive than two one-way tickets). Reservations should be made as far in advance as possible to take advantage of available discounts and special offers. Travel agents that have added ticket handling charges should be avoided.
- (2) Claims for travel via commercial carrier shall be limited to the cost of travel at economy rates for the same day and time of travel or actual cost, whichever is less. County travelers may upgrade tickets, provided that the traveler and not the County pay for the difference in cost for such upgrade. The County will not reimburse any type of travel insurance unless the Department Head requests the traveler to purchase cancellation coverage. Reasonable baggage charges, if imposed by the airline, on the first checked bag are reimbursable.
- (3) Claims for commercial carrier tickets shall be substantiated by an original ticket document (such as an e-ticket or passenger receipt ticket copy) showing the price, date, date/time of travel and class of travel. A copy of the credit card receipt or statement from a travel agency alone is insufficient.

- (4) County business traveler may retain frequent flyer/hotel rewards and similar program benefits. However, participation in these programs must not influence flight/hotel/etc. selection, which would result in incremental cost to the County beyond the lowest available airfare/hotel cost unless the difference is paid by the traveler. Free tickets or cash allowances for volunteering to be denied timely boarding may be retained by the traveler but no additional cost to the County or interruption of County work is allowed and any additional time required to complete the trip is to be personal time.
- (5) Should a Saturday night stay reduce the cost to the County of a ticket more than the total of any additional hotel/meal/parking cost, the costs to do so are reimbursable to the traveler but should be well-documented with a clear savings to the County.

e) Private Aircraft Transportation

- (1) Traveling by private aircraft which is flown by a County employee may be authorized if it will be the most efficient means of travel and the flight is incidental to the purpose of the County travel. Said use shall require the advance written approval of the County Administrative Officer. If approved, the following must be provided to the Auditor-Controller's Office in advance of the travel:
 - (a) a copy of the pilot's Federal Aviation Administration (FAA) pilot's certificate and instrument rating for the category and class of aircraft to be flown and the type of flying to be performed;
 - (b) a copy of the pilot's current medical certificate;
 - (c) a copy of the FAA Pilot Proficiency Award Program certificate issued to the pilot within the twelve months prior to the flight;
 - (d) a copy of the pilot's flight log showing a minimum of 250 hours of flight time within the twelve months prior to the flight;
 - (e) a certificate of public liability and property damage insurance of not less than \$1,000,000 naming the County as an additional insured.
- (2) Traveling by private aircraft, which is flown by a non-County employee, except for flights conducted by members of the Sheriff's Air Squadron in the performance of their official duties, is normally prohibited.
- (3) County travelers who operate a private aircraft in connection with approved County travel may be reimbursed the actual cost paid by the

traveler for fuel used by the aircraft on the trip or the County's mileage rate for each air mile at the travelers option.

f) Other Transportation Expenses

(1) The following necessary transportation expenses may be claimed at actual cost (receipt required) when directly related to transporting the County traveler to and from the business destination point:

- (a) taxi, shuttle, or public transit fares;
- (b) parking fees (airport long-term parking is required for travel exceeding 24 hours);
- (c) bridge, road or ferry tolls;
- (d) other actual transportation expenses determined to be reasonable and necessary by the department head and the Auditor-Controller.

(2) The following transportation expenses may not be claimed:

- (a) traffic and parking violations;
- (b) emergency repairs or non-emergency repairs on non-County vehicles;
- (c) personal travel while at an out-of-County location;
- (d) other actual transportation expenses determined to be unreasonable or unnecessary by the department head or the Auditor-Controller.

C. Meal Expenses

1. Eligibility for Meals

- a) County employees, contractors and volunteers may be reimbursed for in-County meal costs that are 1) ordinary (not extravagant) and necessary, 2) directly related or associated with bona fide County business matters and 3) approved by a member of the Board of Supervisors or a department head (or his or her designee). County business discussions associated with a meal must be conducted in a "clear business setting".
- b) County travelers involved with in-County travel that does not require an overnight stay away from their home are not eligible to claim for meals taken outside the County, unless the requirements of paragraph a) above are met, or unless provided for in a Board of Supervisor-approved written County policy.

- c) County travelers on out-of-County business travel that requires an overnight stay away from their home are eligible to claim for meals taken out-of-County.
- d) County travelers are eligible to claim the meal reimbursements noted below for travel requiring overnight lodging if the total travel time (work time, plus the lunch period plus round-trip travel time) is estimated to equal or exceed 12 hours.
 - (1) Breakfast may be claimed if the County traveler must reasonably be away from home because of County business travel at or before 7:00 a.m.
 - (2) Lunch may be claimed if the County traveler must reasonably be away from home because of County business travel at or before Noon.
 - (3) Dinner may be claimed if the County traveler must reasonably be away from home because of County business travel at 7:00 p.m. or after.
- e) Snacks are a personal expense, not reimbursable.
- f) Claims for meals purchased by a County employee or volunteer on behalf of federal, state or local public officials or employees is prohibited, including any other Monterey County employees, unless provided for under other Board of Supervisor approved written County policies.
- g) County travelers are not eligible to claim meals or other expenses for those persons who are not otherwise eligible to file a claim themselves for County reimbursement.
- h) County travelers are not eligible to keep or claim per diem allowances for anyone other than themselves.

2. Meal Claims

- a) The County maximum full day meal and incidental expenses rate shall be equal to the maximum federal per diem meal and incidental expenses (M&IE) rate established by the GSA. Said maximums include taxes and gratuities.
- b) Meal expense amounts shall be calculated by the Auditor-Controller for first and last partial days of travel based on the maximum federal per diem meal rate for the appropriate meal(s).
- c) Claims for out-of-County meals taken in conjunction with travel that includes an overnight stay away from the traveler's home shall be reimbursed in the form of a "per diem allowance", which means the traveler is eligible to be reimbursed at the maximum rate allowed and receipts are not required (except for Board of

Supervisor Members). Partial days shall be reimbursed at the appropriate meal rate.

- d) Allowable meal costs may only exceed the prescribed per diem rates if the meal is being served at a conference or workshop and the costs of the speaker, conference, and/or registration are included in the price. The agenda/brochure or other documentation describing the event and the price must accompany the claim to the Auditor-Controller's Office.
- e) A County traveler may not claim a per diem allowance or reimbursement for any meal which is provided, or otherwise available, to the County traveler with the lodging or function, whether or not there is an actual charge for the meal. For example, if lunch is provided at the function or breakfast is included in the cost of lodging, the traveler may not claim a per diem allowance or request reimbursement for eating elsewhere. For purposes of this section, continental breakfast and meals provided during airline or other commercial carrier travel do not constitute provided meals and do not need to be deducted from the per diem allowance. A County traveler may not claim a per diem allowance for a meal that was paid for by someone else.
- f) If a breakfast is included in the cost of lodging, the traveler may not claim for a breakfast meal; however, s/he may apply the next day's breakfast allowance amount towards the maximum lodging amount. For example, if the maximum lodging amount is \$79.00 and the breakfast allowance is \$8.00, the employee may claim up to a maximum of \$87.00 for lodging which includes a continental breakfast. (For purposes of this section, continental breakfast does not constitute a provided breakfast meal.)
- g) Claiming for alcoholic beverage expenses are prohibited in all cases.
- h) As required by California Government Code 53232.2 Board of Supervisors members must provide receipts for all meals and will be reimbursed at the lower of the appropriate per diem amount or the actual expense.

D. Lodging Expenses

1. Eligibility for Lodging

- a) County travelers are not eligible to claim for lodging for in-County functions.
- b) For out-of-County business that is conducted on one business day, if the County traveler's actual time for the day is estimated to equal or exceed 12 hours (including work time, the lunch period and round-trip travel time), then the County traveler will have the option of securing one night's lodging at either the

front-end or back-end of the trip. Illustration: A member of the County Board of Supervisors who resides in Monterey County is required to attend a one-day business meeting in Sacramento. The Board member estimates that his total time for the day without obtaining lodging would be 14 hours (8 hours of meetings, 1 hour for lunch and 5 hours for round-trip travel). The Board member will have the option of securing one night's lodging in Sacramento, either the night before the meeting, or after conclusion of the meeting.

- c) For out-of-County business that requires multiple business days, if County travelers are eligible to claim lodging for the first and last evenings of an out-of-County trip, they are also eligible to claim lodging for any evenings that fall in between the first and last evenings of the trip.
- d) County travelers are not eligible to claim reimbursement of lodging costs when staying overnight as a guest of friends or relatives.

2. Lodging Claims

- a) Lodging expenses shall be claimed at either the actual cost of the lodging (limited to the single occupancy rate for a single room) or the County's maximum lodging rate (Federal Per Diem Rate), whichever is less. Receipts are required. Taxes are in addition to the Federal Per Diem Rate.
- b) Lodging costs may exceed the County's maximum lodging rate only when a conference, meeting or convention is being sponsored by an organization of which the County, the department or employee is a member, the lodging may be claimed at the actual cost if seminars or meetings are to be held at the particular hotel and/or events are scheduled for evening hours, and the department head has given advance written authorization.
- c) An original room folio receipt, showing the number of days and the number of occupants, is required for lodging claims. A copy of the receipt, travel agency statement or a credit card receipt alone is insufficient.
- d) When a room is shared with a fellow County traveler, the expense may either be prorated, and the prorated amount claimed by each County traveler, or one County traveler may claim the total expense at the multiple occupancy rate.
- e) When a room is shared with a person other than a County traveler and said person will also be claiming reimbursement from the County or another source, the amount shall be prorated between the two travelers.
- f) Lodging expense may not be claimed for guests of the County traveler. Where expense for a family member or friend is included in the receipt, the claim must not exceed the single occupancy rate.

- g) Special lodging, such as accommodations in apartments, RV parks, campgrounds or other semi-permanent lodgings, shall require advance written authorization of the County Administrative Officer and the Auditor-Controller.
- h) County travelers should inquire when making lodging arrangements whether the County is exempt from Transient Occupancy Taxes (TOT) in the locale where they are staying and should provide the necessary form to the lodging facility, if required to do so to obtain the waiver.
- h) Except when registering for lodging at a pre-arranged group rate in conjunction with a conference or meeting, County travelers shall request the government rate or lowest available eligible rate when making lodging arrangements.
- i) Travelers are responsible for canceling hotel rooms before the cancellation period ends and should record the cancellation number in case of disputes. Travelers will not be reimbursed for "no-show" hotel charges unless there are unavoidable reasons for not canceling the room.
- j) When multiple country travelers are traveling together and the rooms are put on one invoice, one traveler may take care of the invoice but should provide the details on who stayed in each room on the invoice.

E. Registration Fees

Conference, convention and seminar registration and tuition fees may be claimed at the actual cost, provided that the agenda/brochure or other documentation describing the event, including the price, accompanies the approved claim to the Auditor-Controller's.

F. Other Travel Expenses

1. County travelers are eligible to claim a per diem incidental allowance, limited to the maximum federal per diem incidental rate established by the IRS, for each day of travel requiring an overnight stay away from the traveler's home. Said allowance covers fees and gratuities for persons who provide services, such as food servers and luggage handlers, and does not require receipts (Except for Board of Supervisors Meals). If applicable (such as a Board of Supervisor meal), gratuities are limited to not exceed 15% of the service costs unless billed by a provider's standard policy at a higher rate.
2. County travelers are eligible to claim the following expenses at actual cost, even if they also qualify for a per diem incidental allowance. Receipts are required.
 - a) County business calls (traveler must annotate purpose of call on the bill)
 - b) fax machine charges incurred to send or receive documents for County use.

- c) copy machine charges incurred to copy documents for County use.
- d) Internet access connection and/or usage fees away from home not to exceed \$15.00 per day, if Internet access is necessary for county related business.
- e) other business related expenses determined to be reasonable and necessary by the department head and the Auditor-Controller.

VI. OTHER COUNTY BUSINESS EXPENSES

A. General Guidelines

In the course of conducting County business, employees, contractors or volunteers may incur business expenses (including meal expenses pursuant to Section V.C) on behalf of the County. Such expenses will be approved for reimbursement if the disbursement meets the following requirements:

- The disbursement is for an ordinary (not extravagant) and necessary expense of conducting County business, or is an expense that is required by the County,
- The expense is approved by a member of the County Board of Supervisors, or a County department head (or his or her designee), and
- The payee accounts for the expense in accordance with the rules for a "Accountable Expense Reimbursement Plan", as set forth in the Internal Revenue Code and related regulations.

B. Taxation of Business Expense Reimbursements

If a reimbursement to an employee, contractor or volunteer meets the requirements of an "Accountable Expense Reimbursement Plan", then such reimbursement will not be reportable for federal or California income tax purposes.

VII. CLAIMING PROCEDURES FOR OUT-OF-COUNTY TRAVEL

A. Travel Advance Claims

1. Authorizations and Eligibility

- a) Travel advances are strongly discouraged and are only available to County employees. The issuance of travel advances creates double work for departmental and auditor-controller staff and should only be used if a County travel card cannot be used or the employee does not have a personal credit card. Board of Supervisors Members are not eligible for travel advances.

The first choice is for travelers to use their personal credit cards to pay for their

travel expenses and be reimbursed before their monthly statement arrives. Secondly, the County has arranged for the use of the Travel Card to pay many travel related expenses. Departments may use their Travel Cards to pay for airline tickets and conference registration expenses for all of their employees, not just the cardholder. Commercial carrier and conference registration expenses should not be considered in the advance calculation. The third choice would be a cash advance, if necessary.

- b) Travel advances require the authorization of the department head or his/her designee, and the Auditor-Controller or his/her designee.
- c) The net amount of the travel advance shall not exceed the following:
 - (1) 75% of the total estimate for the following travel expenses, exclusive of payments made payable directly to the vendor:
 - (a) lodging (documentation, including at least the confirmation number and hotel name should be provided), including hotel parking
 - (b) rental vehicle transportation;
 - (c) per diem meal allowances;
 - (d) long-term airport parking;
 - (e) other out-of-pocket expenses deemed necessary and reasonable by the Auditor-Controller.
 - (2) 50% of the total estimate of reimbursement for mileage for business use of a private vehicle.
- d) A travel advance shall not be issued for a net amount less than \$100.00 nor more than \$2,000.00.
- e) A travel advance shall not be issued more than thirty (30) calendar days in advance of the commencement of travel.
- f) Travelers are not eligible for an additional travel advance if they have an unsettled advance, unless the advances are for travel taken consecutively. In such case, the sum total of the travel advances shall not exceed \$2,000.00.

2. Travel Advance Requests

- a) Requests for travel advances involving travel shall be submitted by the department head to the Auditor-Controller's Office on a completed and signed

"County of Monterey Travel Request" form, accompanied by all documentation relative to the request, at least ten (10) working days in advance of the commencement of travel.

- b) After a completed and approved "County of Monterey Travel Request" form is received by the Auditor-Controller's Office, a warrant payable to the County traveler for the amount requested shall be issued, up to the 100% maximum amount allowed pursuant to this County travel policy.

3. Travel Advance Settlements

- a) Within five (5) working days of completion of travel, the County traveler shall submit all receipts for allowable travel expenses to the Department and within fifteen (15) working days of completion of travel to the Auditor-Controller's Office on a completed County claim form. Credit for the travel advance shall be subtracted from the amount owed to the County traveler.
- b) In the event that allowable expenses are less than the amount of the travel advance, the County traveler shall submit the difference in the form of a check or money order made out to the "County of Monterey" with the claim form.
- c) County travelers who cannot provide a required receipt shall reimburse the County for the amount of the money advanced to them for that expense.
- d) Travelers who do not submit the required documentation by the time frames set forth above may lose their eligibility for future travel advances.
- e) Department heads are responsible for ensuring that their employees settle their travel advance claims within the time frames set forth in subsection a) above. Non-compliance may jeopardize advances for the entire department.

B. Prepaid Vendor Claims

1. Vendor Claim Requests

- a) Once travel has been authorized, claims to the vendor may be submitted for lodging and registration fees when there is sufficient time for the check to be processed before the authorized County traveler commences travel.
- b) If the travel requires a "County of Monterey Travel Request" form, the approved form shall be submitted with the claim. If the original has been submitted with a previous claim, then that shall be noted on the claim form and a copy of the form attached.
- c) Whenever possible, the County shall be named as registrant for events to allow

transfer of attendance privilege when conflicts prevent the original registrant from attending.

- d) The County will mail the warrant directly to the vendor unless the traveler requests that the warrant be returned to them to hand carry to the vendor.

2. Vendor Claim Settlements

- a) Each vendor claim must have an original receipt attached in order to settle the claim. The required receipts for vendor claims that have been prepaid shall be forwarded to the Auditor-Controller's Office within thirty (30) calendar days after completion of travel.
- b) Claims paid directly to vendors that are not substantiated by receipts within thirty (30) calendar days of the completion of travel shall be considered to be unsettled travel advances to the County traveler.
- c) Department heads are responsible for ensuring that their employees return their receipts within the time frames established by this policy. Non-compliance may jeopardize the department's ability to have travel expenses paid in advance.
- d) In the event that all or a portion of the prepaid cost to a vendor is reduced after the check has been processed, the County traveler is responsible for ensuring that the entire difference is returned to the County within the time frames established for settling the claim.

C. **Travel Reimbursement Claims**

1. After completion of travel, the County traveler shall submit a completed County claim form to the department head for authorization. After review and authorization, the department head shall submit the authorized claim, together with any required receipts, to the Auditor-Controller's Office. Said claim shall be received by the Auditor-Controller's Office within thirty (30) calendar days of the completion of travel.
2. The traveler shall not be reimbursed until s/he has signed the certification for the claim that is required by the Auditor-Controller's Office.
3. The Auditor-Controller's Office shall review the claim for compliance with applicable County policies and procedures. If approved by the Auditor-Controller's Office, the claim shall be processed and a check sent to the claimant within ten (10) working days. If denied, or denied in part, the department's contact person will be notified immediately. The Auditor-Controller has the final decision on allowable expenses.
4. No reimbursement for travel shall be paid to the employee until all required receipts

for the travel claim have been filed with the Auditor-Controller's Office.

5. Travel reimbursements are to be paid via checks and not to be paid via petty cash.

D. Mileage Claims

1. Whenever travel requires advance authorization of the department head, or his/her designee, the resulting mileage expense shall be claimed on the same claim form as the other expenses that apply to that travel. The only exception is if mileage is the only expense of the trip, in which case the traveler may claim the mileage on the monthly "Mileage Reimbursement" claim form.
2. Whenever travel does not require advance authorization of the department head, or his/her designee, the resulting mileage expense shall be claimed on the "Mileage Reimbursement" claim form.
3. Mileage claims shall be submitted monthly, unless the total for the month is less than \$50.00, in which case the claim may be held for an additional month. However, the claim must not be held over to the next month more than twice, regardless of the dollar amount.
4. All mileage claims for the last month of the fiscal year must be processed by year-end close.
5. Mileage Claims are to be paid via warrants and not to be paid via petty cash.

E. Reimbursement by Outside Source

1. County travelers receiving reimbursement from an outside source for travel on County time shall forward said reimbursement to the Auditor-Controller for handling and deposit if the traveler intends to submit an expense claim to the County or use County resources, including a County vehicle, to travel. In such cases, the traveler shall then be entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals, subject to the claiming conditions set forth in this travel policy. Said reimbursement shall be delivered to the Auditor-Controller's Office within thirty (30) days of the receipt of the funds.
2. If a County volunteer or non-employee will be receiving a per diem or other reimbursement of travel expenses from a source outside of the County, the volunteer shall not be eligible to claim or receive any additional reimbursement from the County for the same expenses.

F. Late Claims

If a claim for reimbursement or settlement of a travel claim is submitted after the allowed time frames, the payment to the employee shall not be made until the claim has

been reviewed and approved by the Auditor-Controller or his/her designee.

G. Travel Card Use

Subject to the rules contained in the Travel Card Policy, travel expenses (airline, hotel, vehicle rental, gas, emergency repair of county vehicles and airport parking) may be charged to County of Monterey Travel Cards. Prohibited items include employee meals, room service, movies, cash advances, gift cards of any kind, liquor, tobacco and other items prohibited by the Travel Card Policy. Under no circumstances should personal items (even if reimbursed to the county) be charged to the travel card. Expenses paid on the travel card should not be included on a claim for reimbursement.

VII. INTERPRETATIONS

The Auditor-Controller, or his/her designee, shall be responsible for interpretations of this policy.

VIII. EXCEPTIONS

Exceptions to this policy require the approval of the Auditor-Controller or his/her designee.

IX. CONFLICT WITH RULES

In the event that this County Travel policy is in conflict with another County policy, the policy with the strictest application shall prevail.



SOLUTION SCHEDULE 2

CLINICAL SOLUTIONS

The RSA and this Solution Schedule 2 apply to all Clinical Solutions purchased by Customer under each Order Form referencing this Solution Schedule 2.

SECTION 1: DEFINITIONS

“Available Time” means the number of hours in any given calendar month less the amount of Downtime related to a Force Majeure Event, Standard Maintenance Window, Internet-wide disruptions, or attributable to Customer.

“Activation URL” means the URL designated by RelayHealth for Customer User activation.

“Allowable Credit Fees” means the amount allowable as a credit against RelayHealth Solution subscription fees (otherwise due from Customer to RelayHealth under the applicable Order Form), as prorated on a monthly basis.

“Downtime” means all times when the Subscription Services are unavailable for use by Customer User and fail HTTP checks, content verification checks, and a service check as measured by the Monitoring Software.

“Enterprise Pricing” means, pricing covering unlimited access to the Clinical Solutions by Customer for use by an unlimited number of employed Providers or affiliated Providers.

“Monitoring Software” means the automated monitoring software operated by RelayHealth that monitors the Uptime of the Subscription Services.

“Normal Business Hours” means, with respect to the Clinical Solutions support line, 4:30 a.m. through 5:30 p.m. Pacific Standard Time.

“RelayHealth Provider Terms of Use” means the terms of use posted on the RelayHealth Site which governs, among other things, use of Clinical Solutions by Customer Users.

“RelayHealth Site” means the website operated by RelayHealth.

“Standard Maintenance Window” means a weekly maintenance period between 10:00 PM and 2:00 AM Pacific time every Tuesday and a second optional period between 6:00 p.m. Saturday and 2:00 a.m. Sunday, or as may be scheduled from time to time with twelve hours prior notice by RelayHealth to the Customer.

“Temporary Identity” means a temporary Login Credential for a Customer User that RelayHealth provides to Customer.

“Uptime” means all times when Subscription Services are running and are available to be accessed by Customer Users as measured by Monitoring Software.

SECTION 2: CLINICAL SOLUTIONS

2.1 License Grant. Subject to the terms of the RSA and each applicable Order Form, RelayHealth grants to Customer, and Customer accepts, a limited, nonexclusive, non-transferable, non-sublicensable license to access the Subscription Services portion of the Clinical Services, solely for Customer’s internal purposes, during the term specified in an Order Form. The license granted in this Section 2.1 is expressly subject to the following conditions: (i) the Subscription Services may be only be accessed by users referenced in Section 3.2, below who are physically located within in the U.S.; (ii) access to the Subscription Services may be limited to users who connect to the Subscription Services via computer networks located within certain Facilities, or by any other usage-based variables specified in an Order



Form; (iii) the Subscription Services may not be used to provide service bureau or other similar services to third parties unless expressly permitted in an Order Form; and (v) use of the Subscription Services is subject to the terms of the RSA, the applicable Order Form, the Documentation, and any Third-Party Software terms referenced in an Order Form or in the Documentation. Customer and Customer Users may not attempt to access the Subscription Services in manner not permitted under the RSA, an Order Form, or the Documentation. RelayHealth may immediately suspend Customer's and all Customer Users' access to the Subscription Services if Customer or a Customer User takes any action that would violate, or be reasonably likely to violate, the license granted under this Section 2.1.

2.2 Clinical Solutions Fees/Parameters. Clinical Solutions may be used by all Customer Users, but only Physician Customer Users will be counted for purposes of establishing Clinical Solutions fees. The Clinical Solutions fees are for the Clinical Solutions only and do not include any Software license fees or rights to use the Clinical Solutions other than through Subscription Services which may be provided by RelayHealth as part of the Clinical Solutions.

2.3 Customer acknowledges and agrees that the patients who have subscribed to the RelayHealth services will have access to medical information stored in their personal health records.

SECTION 3: IMPLEMENTATION, HOSTING AND USE OF CLINICAL SOLUTIONS

3.1 Implementation. RelayHealth will use commercially reasonable efforts to implement the Clinical Solutions within the timeframe set forth in the applicable Implementation Plan. RelayHealth will be responsible for operating and maintaining the Clinical Solutions and the RelayHealth Site.

3.2 Use of the Clinical Solutions

3.2.1 By Providers. Access to and use of Clinical Solutions by Customer Users and Customer Users' patients will be subject to RelayHealth's then-current Provider Terms of Use that are posted on the RelayHealth Site. The Provider Terms of Use will be applicable to Customer, its employees and contractors and all Employed Customer Users upon Customer's execution of the Order Form. The Provider Terms of Use must be accepted by all Affiliated Customer Users at the time they seek access to Clinical Solutions at the RelayHealth Site. Customer will inform its employees and contractors and all Employed Customer Users that their use of Clinical Solutions is subject to the Provider Terms of Use, and no further acceptance of the Terms of Use will be required by such Customer Users at the time the same seek access to Clinical Solutions at the RelayHealth Site. The Provider Terms of Use are incorporated herein by this reference, and may be amended by RelayHealth in its sole discretion from time to time. The provisions set forth in this RSA and each Order Form will control in the event of a conflict with the Provider Terms of Use.

3.2.2 By Patients. Access to and use of Clinical Solutions by Customer Users' patients will be subject to RelayHealth's then-current RelayHealth Patient Terms of Use also set forth on the RelayHealth Site.

SECTION 4: REGISTRATION AND DEACTIVATION PROCESSES

4.1 Registration Process. Customer, at its own cost and expense, will provide RelayHealth with the pre-load data requirements set forth in the Implementation Plan or Implementation Services Guide for Customer and all Customer Users, as well as any other information which RelayHealth reasonably requests. Customer represents and warrants that each Physician Customer User is, and will remain during the term of the Clinical Solutions: (a) properly licensed under applicable state law; (b) credentialed in accordance with Customer's standard credentialing process; and (c) required to report changes to his or her professional license status to Customer within an appropriate time interval following any such change. RelayHealth will pre-register Customer Users for Clinical Solutions based on Customer's licensure certification. RelayHealth will provide to Customer a Temporary Identity and an Activation URL. Customer will authenticate the identity of each Customer User by distributing the Activation URL and Temporary Identity that correlates to each prospective Customer User. RelayHealth will accept such



authentication by activating the Customer Users who log-on to Clinical Solutions at the Activation URL using the assigned Temporary Identity.

4.2 Deactivation Process. Customer will notify RelayHealth (i) within two business days after Customer receives notice of any change to the professional licensure status of any Employed Physician Customer User, (ii) within a commercially reasonable number of business days after Customer receives notice of any change to the professional licensure status of any Affiliated Physician Customer User, and (iii) within a commercially reasonable number of business days after Customer elects to terminate any Customer User's access to the Clinical Solutions for any reason. Upon receipt of such notice, RelayHealth will, as soon as practicable after the date of receipt, and in any event within two business days, use commercially reasonable efforts to deactivate each such Customer User's access to the Clinical Solutions.

SECTION 5: DATA

5.1 Data. RelayHealth will use reasonable judgment to correct inaccurate inbound data, and will perform such Services on a Time and Materials basis. RelayHealth will invoice Customer for all such error correction Services, and Customer will pay all applicable fees related to RelayHealth's correction of errors discovered in the inbound data.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Memorandum of Insurance

MEMORANDUM OF INSURANCE	DATE na-sep-2015
--------------------------------	----------------------------

This Memorandum is issued as a matter of information only to authorized viewers for their internal use only and confers no rights upon any viewer of this Memorandum. This Memorandum does not amend, extend or alter the coverage described below. This Memorandum may only be copied, printed and distributed within an authorized viewer and may only be used and viewed by an authorized viewer for its internal use. Any other use, duplication or distribution of this Memorandum without the consent of Marsh is prohibited. "Authorized viewer" shall mean an entity or person which is authorized by the insured named herein to access this Memorandum via <https://online.marsh.com/marshconnectpublic/marsh2/public/moi?client=3535858>. The information contained herein is as of the date referred to above. Marsh shall be under no obligation to update such information.

PRODUCER Marsh USA Inc. dba Marsh Risk & Insurance Services ("Marsh")	COMPANIES AFFORDING COVERAGE Co. A Golden State Insurance Co.
INSURED McKesson Corporation, etal. One Post Street 34th Floor, San Francisco California 94104 United States	Co. B Old Republic Insurance Co.
	Co. C
	Co. D

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS MEMORANDUM MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE	LIMITS	
					LIMITS IN USD UNLESS OTHERWISE INDICATED	
A	GENERAL LIABILITY Commercial General Liability Occurrence	064-1-80101-2015	01-JUL-2015	01-JUL-2016	GENERAL AGGREGATE	2,000,000 USD
					PRODUCTS - COMP/OP AGG	2,000,000 USD
					PERSONAL AND ADV INJURY	1,000,000 USD
					EACH OCCURRENCE	1,000,000 USD
					FIRE DAMAGE (ANY ONE FIRE)	1,000,000 USD
					MED EXP (ANY ONE PERSON)	10,000 USD
					B	AUTOMOBILE LIABILITY Any Auto
BODILY INJURY (PER PERSON)						
BODILY INJURY (PER ACCIDENT)						
PROPERTY DAMAGE						
	EXCESS LIABILITY				EACH OCCURENCE	
					AGGREGATE	
	GARAGE LIABILITY				AUTO ONLY (PER ACCIDENT)	

Memorandum of Insurance (MOI)

					OTHER THAN AUTO ONLY:	
					EACH ACCIDENT	
					AGGREGATE	
B	WORKERS	MWC30458200	01-JUL-2015	01-JUL-2016	WORKERS COMP LIMITS	Statutory
B	COMPENSATION / EMPLOYERS LIABILITY	MWXS304584	01-JUL-2015	01-JUL-2016	EL EACH ACCIDENT	1,000,000 USD
					EL DISEASE - POLICY LIMIT	1,000,000 USD
					EL DISEASE - EACH EMPLOYEE	1,000,000 USD

The Memorandum of Insurance serves solely to list insurance policies, limits and dates of coverage. Any modifications here to are not authorized.

MEMORANDUM OF INSURANCE		DATE 09-Sep-2015
<p>This Memorandum is issued as a matter of information only to authorized viewers for their internal use only and confers no rights upon any viewer of this Memorandum. This Memorandum does not amend, extend or alter the coverage described below. This Memorandum may only be copied, printed and distributed within an authorized viewer and may only be used and viewed by an authorized viewer for its internal use. Any other use, duplication or distribution of this Memorandum without the consent of Marsh is prohibited. "Authorized viewer" shall mean an entity or person which is authorized by the insured named herein to access this Memorandum via https://online.marsh.com/marshconnectpublic/marsh2/public/moi?client=3535858. The information contained herein is as of the date referred to above. Marsh shall be under no obligation to update such information.</p>		
PRODUCER Marsh USA Inc. dba Marsh Risk & Insurance Services ("Marsh")	INSURED McKesson Corporation, etal. One Post Street 34th Floor, San Francisco California 94104 United States	
ADDITIONAL INFORMATION MWC30458200 = (ALL OTHER STATES) MWXS304584 = (CT,NV,OH,WA) (\$100,000 SIR for CT, NV, OH, WA)		
EVIDENCE OF INSURANCE Contractual Liability included in General Liability policy #064-1-80101-2015. Regarding the Golden State Policy: The General Liability Policy #064-1-80101-2015 placement was made by Marsh Management Services (Bermuda) Ltd. Marsh USA Inc. has only role of consultant to the client with respect to this placement, which is indicated here for convenience.		
The Memorandum of Insurance serves solely to list insurance policies, limits and dates of coverage. Any modifications hereto are not authorized.		



ORDER FORM

RelayHealth Services Agreement

THIS ORDER FORM (“Order Form”) amends and supplements that certain RelayHealth Services Agreement No. RSA1610004080, dated _____, 2016, by and between RelayHealth and Customer, and incorporates all Exhibits, Schedules, and Attachments listed below, effective as of the latest date in the signature block below (the “**OF Effective Date**”). Pursuant to Section 2 of the RSA Terms and Conditions, by executing this Order Form, Customer and RelayHealth hereby acknowledge and agree that, commencing upon the OF Effective Date, Customer has subscribed for and purchased the RelayHealth Solutions described in each Solution Schedule of the RSA listed in Exhibit A, and the parties’ respective rights and obligations regarding the RelayHealth Solutions are governed by the terms of the RSA and the applicable Solution Schedule, as amended by this Order Form. Each capitalized term used but not otherwise defined in this Order Form has the meaning set forth in the RSA. Each reference to the “RSA” from within an Exhibit to this Order Form means the RSA (as defined therein), excluding each Solution Schedule other than the Solution Schedule which governs the RelayHealth Solutions applicable to the Exhibit in which the term is used.

Exhibit	Title
Exhibit A	Quote
Exhibit 1	<i>Reserved</i>
Exhibit B	<i>Reserved</i>
Exhibit 2	RelayHealth – Order Form Terms and Conditions For Clinical Solutions (under RSA Solution Schedule 2)

RelayHealth will include Customer’s purchase order number (“**PO Number**”) on invoices sent to Customer if Customer provides a PO Number on or before the OF Effective Date. If the total amount payable by Customer under this Order Form during the initial term of this Order Form equal to or greater than \$10,000, Customer must attach copies of all applicable purchase orders and PO Numbers upon execution. Customer’s failure to provide RelayHealth with a PO Number or copies of purchase orders does not suspend or negate any Customer duty, including payment, under this Order Form. RelayHealth will not be bound by any pre-printed terms and conditions on or attached to a Customer purchase order.

In the event the parties fail to execute the RSA upon or before the OF Effective Date, then this Order Form will be deemed void.

RelayHealth and Customer have each executed this Order Form by and through their respective agents whose signatures appear below. Each signatory hereto represents and warrants that he or she is duly authorized to sign, execute, and deliver this Order Form on behalf of the party he or she represents.

**THE COUNTY OF MONTEREY, A POLITICAL
SUBDIVISION OF THE STATE OF CALIFORNIA, ON
BEHALF OF THE MONTEREY COUNTY HEALTH
DEPARTMENT**

RELAYHEALTH

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

Customer PO. No. _____

Reviewed as to fiscal provisions

Deputy Purchasing Agent
3/17/16

Auditor/Controller
County of Monterey
3-4-16

APPROVED AS TO FORM

DEPUTY COUNTY COUNSEL
COUNTY OF MONTEREY



EXHIBIT A

QUOTE

QUOTE DETAIL:

Product No.	Description	Qty	One Time List Fees	One Time Net Fees
Professional Services One-Time Fees				
74036180	RelayClinical™ Field Services	523	\$91,002	\$81,879.00
GRAND TOTALS:			\$91,002	\$81,879.00

FACILITIES:

Customer No.	Facility	Full Address
TBD	County Health Department	1270 Natividad Rd Salinas, CA 93906

PAYMENT SCHEDULE:

Professional Services One-Time:	100% is due for each module on the OF Effective Date. Field services fees are based on 523 hours that must be used within 36 months from the SO Effective Date. Upon the earlier of the usage of the hours or 36 months from SO Effective Date, Customer may purchase additional field services hours at a rate of \$174 per hour for the remainder of the term under a separate agreement. Upon expiration of the term, additional hours must be purchased under a separate agreement at the then current rate.
--	--

CUSTOMER

AUTHORIZATION: The pricing contained herein is valid until ~~March 15, 2016~~ April 30, 2016

Initial AW
Date 3/17/16

ADMINISTRATION:

Sold To:	Bill To:
The County of Monterey, a political subdivision of the State of California on behalf of County Health Department	Clinical Services Bureau Monterey County Health Department
1270 Natividad Rd Salinas, CA 93906	1615 Bunker Hill Way, Ste. 100, Salinas, CA 93906
Attention: Ray Bullick	Attention: Moises Cruz
Telephone: (831) 755-4526	Telephone: (831) 796-1303
Facsimile:	Facsimile:
E-mail:	E-mail: cruzmq@co.monterey.ca.us

EXHIBIT 2

RELAYHEALTH – CLINICAL SOLUTIONS

The RSA and Solution Schedule 2 apply to all Clinical Solutions licensed or purchased by Customer under this Order Form.

SECTION 1: TERM

The initial term of this Order Form commences on the OF Effective Date and continues for the duration of the time period indicated in the Fees Summary section of Exhibit A, unless earlier terminated as provided herein or in the RSA. The term will automatically renew for additional two-year terms, unless either party gives written notice to the other party at least 90 days prior to the expiration of the then-current term of its decision not to renew.

SECTION 2: THIRD PARTY TERMS

2.1 Third Party Terms. Customer agrees to the applicable third-party terms and conditions, if any, as set forth at <http://customerportal.mckesson.com>, which Customer may access using the confidential login information below:

User ID: contractprovisions@mckesson.com
Password (case sensitive): Portal!Access

SECTION 3: SERVICE LEVEL WARRANTY

3.1 Service Level Warranty. RelayHealth warrants to Customer that each month Uptime (as defined herein) will constitute at least ninety percent of Available Time (as defined herein) for Subscription Services. **“Uptime”** means all times when Subscription Services are running and are available to be accessed by Customer Users as measured by automated site monitoring software operated by RelayHealth (**“Monitoring Software”**). **“Available Time”** means the number of hours in any given month less the amount of Downtime related to force majeure, Standard Maintenance Window, internet-wide disruptions, or attributable to Customer. **“Downtime”** means all times in which the Subscription Services fails HTTP checks, content verification checks, and a service check as measured by the Monitoring Software. **“Standard Maintenance Window”** means a weekly maintenance period between 10:00 PM and 2:00 AM Pacific time every Tuesday and a second optional period between 6:00 p.m. Saturday and 2:00 a.m. Sunday, or as may be scheduled from time to time with twelve hours prior notice to the Customer. At Customer’s request, RelayHealth will provide to Customer a monthly report (which may be provided electronically) by the fifteenth day of each month regarding RelayHealth service level warranty performance for the preceding month.

3.2 Service Level Warranty Credit. If, per the Monitoring Software, RelayHealth breaches the service level warranty set forth in Section 3.1 above, RelayHealth will issue a credit against any fees payable by Customer to RelayHealth. Such credit will be ten percent of the RelayHealth Subscription Fees described in the applicable RelayHealth Order Form, pro-rated on a monthly basis (**“Allowable Credit Fees”**) for any month in which Uptime falls below ninety-eight percent of Available Time; provided, however, that for any month in which Uptime falls below ninety percent of Available Time, the credit will be increased to fifty percent of Allowable Credit Fees, and for any month in which Uptime falls below seventy-five percent of Available Time, the credit will be increased to one hundred percent of Allowable Credit Fees. This is RelayHealth’s entire obligation and liability and Customer’s sole and exclusive remedy for any inability to access or use Subscription Services.

SECTION 4: SUPPORT SERVICES FOR SUBSCRIPTION SERVICES

4.1 Service Levels.

4.1.1 Support Line. During the term of this Order Form, Customer will have access to a customer support line staffed by RelayHealth personnel with knowledge of the Subscription Services.



Customer will have access to the Subscription Services support line during RelayHealth's normal business hours, which currently run from 4:30 a.m. through 5:30 p.m. Pacific Standard Time ("Normal Business Hours").

4.1.2 After Hours Support. After hours support is available to all customers of the Subscription Services. Currently after hours support consists of a paging protocol. After hours calls are redirected to our answering service. The calls are triaged and issues defined as urgent, by Customer, are paged for service to a technical representative.

4.1.3 Other Support. RelayHealth will apply commercially reasonable efforts to (a) answer questions related to the use of the Subscription Services, (b) correct any program errors that fall into one of the three categories specified below and are reproducible by RelayHealth, and (c) provide work-around solutions to problems in accordance with applicable specifications and product manuals, provided, however, that such program errors have not been introduced through modifications made by Customer.

4.2 Categories of Problems and Responses.

4.2.1 Errors. Three classes of program errors are provided for, and RelayHealth will respond to such errors during Normal Business Hours as follows:

4.2.2 Level 1 Critical Issue. Subscription Services fail to function in accordance with published specifications for the Subscription Services and Customer is unable to proceed without a fix to the problem or a work-around solution provided by RelayHealth (no functionality, e.g., system down).

4.2.3 Critical Issue. Category problems will be directly reported to RelayHealth Customer Support by telephone at numbers provided by RelayHealth.

(a) RelayHealth will initially respond to Customer within one business hour of receipt of the CRITICAL ISSUE program error by RelayHealth. This response will inform Customer of the current status of the problem and an estimated time to resolution. In addition, RelayHealth will provide twice daily status updates until the problem has been fixed. The Customer Support Representative assigned to the problem will use all commercially reasonable efforts to reduce the CRITICAL ISSUE program error to a Level 3 MAJOR ISSUE WITH A WORKAROUND program error. If this is not accomplished within four hours from notification of the error by Customer, then the issue will be escalated within RelayHealth to reduce the Level 1 CRITICAL ISSUE program error to a Level 2 MAJOR ISSUE WITHOUT A WORKAROUND program error.

4.2.4 Level 2 Major Issue Without A Workaround. The Subscription Services contain major functional problems against published specifications which Customer is able to work around but to the extent that the Subscription Services can only be used to a limited degree (partial or limited functionality).

4.2.5 Level 2 Major Issue Without A Workaround. Category problems will be directly reported to RELAYHEALTH Customer Support by telephone.

(a) RelayHealth will initially respond to Customer within two business hours of receipt of the Level 2 MAJOR ISSUE WITHOUT A WORKAROUND program error. This response will inform Customer of the current status of the issue and of the plan to correct the problem. RelayHealth will also provide daily status updates until the problem has been fixed. RelayHealth will work directly with Customer until they are successful in correcting the identified problem. RelayHealth may elect to provide a fully supported temporary modification or workaround to the program in the short term, with a permanent modification included in the next scheduled release of the Service or Product.

4.2.6 Level 3 Major Issue With A Workaround. Service or documentation contains incorrect logic, incorrect descriptions, or functional problems which Customer is able to work around or where a temporary correction has been implemented (fully functional but needs improvement).

(a) Level 3 Major Issue with a Workaround issues will be directly reported to RelayHealth Customer Support by telephone. RelayHealth's response to the Major Issue with a



Workaround category will be to provide commercially reasonable efforts to schedule the personnel and effort required to solve the problem. The correction of such errors will be prioritized based on business and customer requirements. RelayHealth may elect to include the modification in the next scheduled release of the Service or Product. RelayHealth will initially respond to Customer within one business day of receipt by RelayHealth of the issue. This response will inform Customer of the current status of the issue and of the plan to correct the problem.

SECTION 5: OBLIGATIONS OF CUSTOMER FOR INTEGRATIONS AND INTEROPERABILITY FOR SUBSCRIPTION SERVICES

5.1 Customer's Designated Staff. Customer agrees to establish its own central support location, through which it will channel all communication and information/update exchange with RelayHealth regarding the Subscription Services. RelayHealth will provide Subscription Services under this Order Form solely to Customer through the central support location, and will not be responsible for supporting Customer's individual sites, affiliates or customers. Customer will designate up to three representatives as designated staff (it is Customer's duty to keep the three names current) with access to Customer Support. Customer is responsible for providing RelayHealth with the current and correct names of these three representatives.

5.2 Staff Training. Customer will maintain an adequate number of personnel trained in the technical support and functional aspects of the Subscription Services.

5.3 Customer Sign-off. Customer sign-off is required following a successful integration implementation.

[Remainder of Page Intentionally Left Blank]