

ERRATUM TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS ERRATUM TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the “**Erratum**”) is made and entered into as of MARCH 16, 2016, by and between COUNTY OF MONTEREY (“**County**”) on behalf of NATIVIDAD MEDICAL CENTER (“**Hospital**”), and SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM, a local health care district organized and operating pursuant to Division 23 of California Health and Safety Code, dba and owner of SALINAS VALLEY MEDICAL CLINIC, a California Health and Safety Code Section 1206(b) clinic (“**Contractor**”) with respect to the following:

RECITALS

- A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the “**Clinics**”) under its acute care license.
- B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement effective as of April 1, 2015 and as amended effective January 1, 2016 (collectively, the “**Agreement**”).
- C. Due to a clerical error and oversight, the effective date of the first amendment and the billing and collection terms were misstated in the Agreement.
- D. Hospital and Contractor desire to correct the Agreement as set forth herein.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

- 1. **Defined Terms.** Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.
- 2. **Erratum Effective Date.** The effective date of this Erratum shall be January 1, 2016.
- 3. **Preamble.** The date in the first amendment of the Agreement shall be amended and restated to read in its entirety as “January 1, 2016”.

4. **New Section 2.4.** A new Section 2.4 to the Agreement is hereby added to read in its entirety as follows:

“2.4 Billing and Collection. Hospital shall have the sole and exclusive right to bill and collect for any and all Professional Services rendered to Patients at the Clinics (**“Clinic Patients”**) by Contractor or any Group Physician under this Agreement (the **“NMC Services”**). Hospital shall have the sole and exclusive right, title and interest in and to accounts receivable with respect to such NMC Services.

(a) **Assignment of Claims.** Contractor hereby assigns (or reassigns, as the case may be) to Hospital all claims, demands and rights of Contractor for any and all NMC Services rendered by Contractor pursuant to this Agreement. Contractor shall take such action and execute such documents (e.g., CMS Forms 855R and 855I), as may be reasonably necessary or appropriate to effectuate the assignment (or reassignment, as the case may be) to Hospital of all claims, demands and rights of Contractor for any and all NMC Services rendered by Contractor pursuant to this Agreement.

(b) **Cooperation with Billing and Collections.** Contractor shall cooperate with Hospital in the billing and collection of fees with respect to NMC Services rendered by Contractor. Without limiting the generality of the foregoing, Contractor shall cooperate with Hospital in completing such claim forms with respect to NMC Services rendered by Contractor pursuant to this Agreement as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors.

(c) **Hospital as Exclusive Source for Compensation for NMC Services.** Contractor shall seek and obtain compensation for the performance of NMC Services only from Hospital. Contractor shall not, bill, assess or charge any fee, assessment or charge of any type against any Hospital patient or any other person or entity for NMC Services rendered by Contractor pursuant to this Agreement. Contractor shall promptly deliver to Hospital any and all compensation, in whatever form, that is received by Contractor or any Group Physician for NMC Services rendered by Contractor or any Group Physician pursuant to this Agreement, including any amount received from any Managed Care Organization (as defined below) for NMC Services rendered by Contractor or any Group Physician pursuant to this Agreement.

(d) **Joint and Several Liability.** Hospital and Contractor acknowledge that they will be jointly and severally liable for any Federal Health Care Program overpayments relating to claims with respect to NMC Services furnished by Contractor pursuant to this Agreement. The foregoing is not intended and shall not be construed to diminish, limit, alter or otherwise modify in any way the Parties' respective indemnification obligations under this Agreement.

(e) **Indemnification for Billing Information.** Contractor hereby agrees to indemnify County, Hospital, its officers, supervisors, trustees, employees and agents, from and against any and all liability, cost, loss, penalty or expense (including, without limitation, attorneys' fees and court costs) incurred by Hospital resulting from negligent acts or negligent omissions of Contractor which result in inaccurate and/or improper billing information furnished by Contractor and relied on by Hospital regarding Professional Services rendered by Contractor to Clinic Patients, to the extent such liability, cost, loss, penalty or expense exceeds the amount of payment or reimbursement actually received by Hospital for such services."

5. **Counterparts.** This Erratum may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6. **Continuing Effect of Agreement.** Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

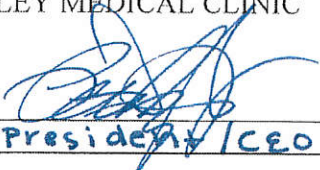
7. **Reference.** After the date of this Erratum, any reference to the Agreement shall mean the Agreement as amended by this Erratum.

[signature page follows]

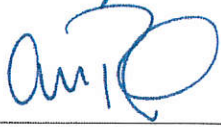
IN WITNESS WHEREOF, Hospital and Contractor have executed this Erratum as of the day and year first written above.

CONTRACTOR

SALINA VALLEY MEMORIAL
HEALTHCARE SYSTEM, DBA SALINAS
VALLEY MEDICAL CLINIC

By: 
Its President/CEO

Date: _____, 20__

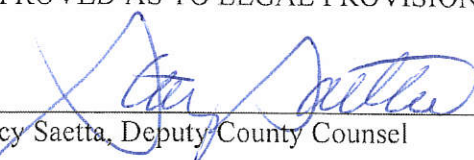
By: 
Its Chief Medical Officer

NATIVIDAD MEDICAL CENTER


Deputy Purchasing Agent

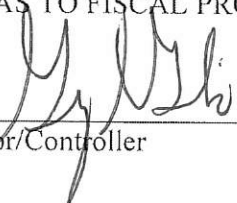
Date: 3/16, 2016

APPROVED AS TO LEGAL PROVISIONS:


Stacy Saetta, Deputy County Counsel

Date: 3/15, 2016

APPROVED AS TO FISCAL PROVISIONS:


Deputy Auditor/Controller

Date: 3-16, 2016

**FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES
AGREEMENT**

THIS FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the “**Amendment**”) is made and entered into as of January 1, 2015, by and between COUNTY OF MONTEREY (“**County**”) on behalf of NATIVIDAD MEDICAL CENTER (“**Hospital**”), and SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM, a local health care district organized and operating pursuant to Division 23 of California Health and Safety Code, dba and owner of SALINAS VALLEY MEDICAL CLINIC, a California Health and Safety Code Section 1206(b) clinic (“**Contractor**”) with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of April 1, 2015 (the “**Agreement**”) pursuant to which Contractor provides Specialty services to Hospital patients.

C. Hospital and Contractor desire to amend the Agreement to add hematology and oncology call and clinic services, add Two Hundred Seventy Thousand Dollars (\$270,000) to the amount payable for the additional services, and make other conforming changes to the Agreement.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms.** Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Recital A.** Recital A to the Agreement is hereby amended to read in its entirety as follows:

“A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the “**Clinics**”) under its acute care license.”

3. **Recital B.** Recital B to the Agreement is hereby amended to read in its entirety as follows:

“B. Contractor owns and operates outpatient clinics under California Health and Safety Code Section 1206(b) under the laws of the State of California (the “State”), consisting of employees and contractors (collectively, “**Group Physicians**” and each, a “**Group Physician**”), each of whom is a physician duly licensed and qualified to practice medicine in the State. Each Group Physician shall be board certified for the practice of medicine in one or more of the following specialties of neurology, hematology and/or oncology (collectively, the “**Specialty**”).”

4. **Recital C.** Recital C to the Agreement is hereby amended to read in its entirety as follows:

“C. Hospital must arrange for the provision of professional consultation and treatment of patients who present to the emergency department (“ED”) and/or who are admitted as Hospital inpatients or presents to the Clinics in need of medical care or treatment in the Specialty, including inpatient and outpatient procedures performed in Hospital’s operating room and the Clinic (collectively, the “**Patients**”).”

5. **Section 1.1.** Paragraph (b) to Section 1.1 of the Agreement is hereby amended to read as follows:

Contractor shall ensure that one (1) or more Group Physicians shall be available on an on-call basis to provide Specialty medical care and treatment to Patients (“**Coverage Services**”) along with other panel members in a manner that is sufficient to ensure Specialty coverage for the Hospital twenty-four (24) hours per day, seven (7) days per week, including all holidays .

6. **Section 1.4.** Section 1.4 to the Agreement is hereby amended to read in its entirety as follows:

“**1.4 Time Commitment.** Contractor shall allocate time among the Professional Services, Teaching Services, Coverage Services and Additional Services as reasonably requested by Hospital from time to time. Contractor shall provide the hematology/oncology Professional Services to Clinic Patients and the Coverage Services pursuant to a schedule as mutually agreed upon by Contractor and Hospital.”

7. **Section 2.1.** Section 2.1 to the Agreement is hereby amended to read in its entirety as follows:

“2.1 Compensation. Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the “**Compensation**”), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of Five Hundred Seventeen Thousand Dollars (\$517,000) during the term of this Agreement.”

8. **Exhibit 2.1.** Exhibit 2.1 to the Agreement is hereby replaced in its entirety with the attached **Exhibit 2.1.**

9. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

10. **Continuing Effect of Agreement.** Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

11. **Reference.** After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

SALINAS VALLEY MEMORIAL
HEALTHCARE SYSTEM, DBA SALINAS
VALLEY MEDICAL CLINIC



Date: 10/19, 2015

NATIVIDAD MEDICAL CENTER



Deputy Purchasing Agent

Date: 10/16, 2015

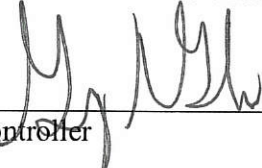
APPROVED AS TO LEGAL PROVISIONS:



Stacy Saetta, Deputy County Counsel

Date: 10/29, 2015

APPROVED AS TO FISCAL PROVISIONS:



Deputy Auditor/Controller

Date: 10/29, 2015

Exhibit 2.1

COMPENSATION

1. **Neurology Coverage Services.** Hospital shall pay to Contractor an amount equal to Three Hundred Dollars (\$300) per twenty-four (24) hour Shift of neurology Coverage Services provided pursuant to this Agreement.
2. **Hematology/Oncology Coverage Services.** Hospital shall pay to Contractor an amount equal to Three Hundred Fifty Dollars (\$350) per twenty-four (24) hour Shift of hematology/oncology Coverage Services provided pursuant to this Agreement.
3. **Hematology/Oncology Clinic Services.** Hospital shall pay to Contractor an amount equal to Two Hundred and Fifty Dollars (\$250) per hour for hematology/oncology Clinic services provided pursuant to this Agreement.
4. **Timing.** Hospital shall pay the Stipend Compensation due for Coverage Services performed by Contractor after Contractor's submission of the monthly invoice of preceding month's activity and time report in accordance with this Agreement; provided, however, that if Contractor does not submit an invoice and time sheet within sixty (60) days of the end of the month during which Coverage Services were performed, Hospital shall not be obligated to pay Contractor for Coverage Services performed during that month. The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is "30 days after receipt of the certified invoice in the Auditor-Controller's Office".