

**Amendment No. 1  
To Agreement  
By and Between  
County of Monterey and Biomed PRN**

**THIS AMENDMENT** No. 1 is made and entered into, by and between **Biomed PRN**, hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, on behalf of its Health Department, hereinafter referred to as "County".

**RECITALS:**

**WHEREAS**, the County and CONTRACTOR have heretofore entered into an Agreement to provide biomedical equipment certifying, testing and maintenance services for the period of July 1, 2014 to June 30, 2016 in an amount not to exceed \$58,320 ("Agreement"); and

**WHEREAS**, the County and CONTRACTOR wish to amend the Agreement to extend the term of the Agreement for one (1) additional year, as specified below.

**NOW THEREFORE**, the County and CONTRACTOR hereby agree to amend the Agreement, as follows:

1. **SECTION 2.0, "PAYMENT PROVISIONS"**, is amended to increase the total amount payable by County to CONTRACTOR by \$38,500 for a new total not to exceed \$96,820 for the term of the Agreement.
2. **SECTION 3.0, "TERM OF AGREEMENT"**, is amended to extend the term of the Agreement to June 30, 2017, for a new term of July 1, 2014 to June 30, 2017.
3. **EXHIBIT A - Scope of Services/Payment Provisions** is replaced by Amendment No. 1 to Exhibit A. All references in the Agreement to EXHIBIT A shall be construed to refer to Amendment No. 1 to EXHIBIT A.
4. **EXHIBIT B - Business Associate Agreement** is replaced by Amendment No. 1 to Exhibit B. All references in the Agreement to EXHIBIT B shall be construed to refer to Amendment No. 1 to EXHIBIT B.
5. **EXHIBIT C - Clinic Locations** is replaced by Amendment No. 1 to Exhibit C. All references in the Agreement to EXHIBIT C shall be construed to refer to Amendment No. 1 to EXHIBIT C.

6. **SECTION 14, "NOTICES"** is amended as follows:

**FOR COUNTY:**  
Director of Health  
1270 Natividad Road  
Salinas, CA 93906  
(831) 755-4526

7. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this AMENDMENT No. 1 and shall continue in full force and effect as set forth in the Agreement.
8. A copy of this AMENDMENT No. 1 shall be attached to the Agreement.
9. The effective date of this AMENDMENT No. 1 is June 1, 2016.

*This space left blank intentionally*

IN WITNESS WHEREOF, the parties have executed this AMENDMENT No. 1 on the day and year written below.

COUNTY OF MONTEREY

By: [Signature]  
Mike Derr, Contracts/Purchasing Officer/Supervisor

Date: 5/4/16

By: [Signature]  
Director of Health  
Department of Health

Date: 05/13/2016

Approved as to Legal Form:

By: [Signature]  
Stacy L. Saetta, Deputy County Counsel

Date: 5/2, 2016

Approved as to Fiscal Provisions:

By: [Signature]  
Gary Giboney, Auditor-Controller

Date: 5-2-16

Approved as to Liability Provisions:

By: \_\_\_\_\_  
Steve Mauck, Risk Management

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

BIOMED PRN

By: [Signature]

Name: ANDRÉ ADEMA

Title: PRESIDENT

Date: 4/15/16

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

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## **Amendment No. 1 to EXHIBIT A**

### **SCOPE OF SERVICES / PAYMENT PROVISIONS**

#### **A. SCOPE OF SERVICES**

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

1. Provide certification, tagging and maintenance services for all biomedical equipment, located at the clinics operated by the County's Health Department as specified in "EXHIBIT C – CLINIC LOCATIONS" and any subsequent new equipment. County shall inform CONTRACTOR of any satellite, new or expanded clinics. There shall be no additional charge for satellite or expansion of clinics with less than twenty (20) items. CONTRACTOR shall provide a written statement of inability to provide services to any satellite, new or expanded clinics which County may open during the term of the AGREEMENT.
  - a. Provide "PM/PM" program services which includes: providing certification; tagging and maintenance services during off-peak clinic hours; and training of County staff regarding proper handling of biomedical equipment.
  - b. Certification, tagging and maintenance services shall be provided at the frequency as recommended by manufacturer and/or applicable industry standards.
  - c. County shall reserve the right to request certification, tagging and maintenance services as needed for equipment, such as weight scales, which shall be serviced on a semi-annual basis.
2. Provide maintenance services for clinic HEPA Filter(s) following all applicable manufacturer and CDC standards and regulations for servicing and filter replacement procedures.
  - a. Maintenance services shall be on an as-needed basis, as requested by County.
3. Recertify all electrical, measurement, and testing equipment annually.
  - a. Test equipment used by CONTRACTOR shall be calibrated and traceable to the National Institute of Standards and Technology (NIST).

4. Coordinate with designated County clinic manager, director, and/or their delegated staff to arrange designated times to perform the required services at each clinic.
  - a. Test new equipment within seven (7) days and tag all equipment which has successfully passed testing.
  - b. Provide County with a written report of all equipment tested and tagged within thirty (30) days of testing.
  - c. Promptly coordinate with designated County clinic manager, director, and/or their delegated staff to determine if identified equipment should be repaired or replaced for equipment which does not pass testing. CONTRACTOR must tag this piece of equipment as inoperable.
  - d. Make adjustments and minor repairs to equipment, less than an hour in duration, in the context of completing certifying inspections. County and CONTRACTOR shall consider any unscheduled repairs requiring greater than one hour to complete, with significant parts cost, on a case-by-case basis.
  - e. Not relocate or remove equipment from the clinics without approval from the designated County clinic manager, director, and/or their delegated staff.
5. Keep an accurate, current inventory of the County's biomedical equipment for each clinic at each site.
  - a. Maintain a detailed inventory list of all biomedical equipment in the clinics. This inventory list shall include the following fields: Clinic Name, Control Number, BioMed PRN Inventory Number, Description, Manufacturer, Serial Number Descriptor and Last Date. Inventory form fields shall not be altered unless mutually agreed upon by both parties.
  - b. Maintain a new equipment log with each clinic inventory for new equipment. CONTRACTOR shall add the equipment to the main inventory list by the next due date as specified in 4.d.
  - c. Update the Inventory list at least two (2) times per year.
  - d. Supply each clinic and Administration's Compliance Nurse with an updated inventory list by January 31<sup>st</sup> and July 31<sup>st</sup> each year. Inventory list shall be provided to the clinic in a hardcopy and electronically emailed to Administration's Compliance Nurse.
  - e. Clearly list the certification dates of all biomedical equipment next to each piece of equipment identified.
6. Complete the Quarterly Review Sheet as listed in "EXHIBIT D" of the Agreement.
7. Supply County with approved equipment tags for all biomedical equipment items.
  - a. Certify and tag County's Biomedical Transformer units, which include, but are not limited to, sphygmomanometers, otoscopes, and electric thermometers individually.
  - b. Retag any existing biomedical equipment and supplies if needed.
8. Provide loaner equipment items in up to three categories.
  - a. Item selection will be based upon need, urgency and prior unscheduled repair frequency as mutually agreed upon by County and CONTRACTOR.
9. Provide Biomedical Equipment Technicians who are either certified through the International Certification Commission (ICC), or have a minimum of five (5) years of verifiable experience maintaining and repairing biomedical equipment.

- a. All work shall be performed by personnel whom CONTRACTOR directly employs and supervises.
  - b. No sub-contracting or outsourcing of any type shall be allowed without written authorization from County.
10. Respond to all County maintenance and repair requests within a twenty-four (24) hour window. Onsite response requirement will be determined via communication and as agreed to by both parties based on the unique nature of each request. For emergency service requests, CONTRACTOR will respond within sixty (60) minutes of receiving the call and shall complete all remedial work immediately.
11. Coordinate with designated County clinic managers, directors, and/or their delegated staff for requests made on a Friday or Saturday to determine urgency and to schedule the earliest possible date with which to respond.
12. Provide a warranty of ninety (90) days for repair services, guarantee the workmanship of all items proposed, and remedy all defects under existing warranties that may appear within the term of the AGREEMENT without additional cost to County.
  - a) Warranty on parts shall be those stipulated by the manufacturer.
  - b) Any repairs expected to take longer than one (1) week shall be communicated, in writing, to designated County clinic managers, directors, and /or their delegated staff with a reasonable timeframe for repair completion.
  - c) Written and electronic notification should be provided to Administration's Compliance Nurse.
13. Notify County, in writing, of all biomedical equipment currently used by COUNTY that CONTRACTOR is unable and/or is not qualified to certify, or cannot maintain due to lack of parts availability.
  - a. Written notification to County shall be provided within thirty (30) days of initial and subsequent recertification.
  - b. Written and electronic notification should be provided to Administration's Compliance Nurse.
14. Provide Administration's Compliance Nurse with a written and electronic report of all maintenance and repairs made to biomedical equipment. This report shall include Clinic Site, Date of Service, Equipment Serviced, whether service was a Fix or Maintenance, and Service Outcome.
15. Establish and maintain a tagging system that provides Clinic staff the ability to identify equipment needing repair or service and subsequent service completion.
  - a. Tagging system should allow Clinic staff to tag equipment as they encounter servicing needs outside of the regular scheduled maintenance.
  - b. Tags shall reference CONTRACTOR name and contact number.
  - c. Tags shall also provide method for communicating the date service has been done, and Service Outcome.

A.2 Should CONTRACTOR fail to comply with any term or requirement under this AGREEMENT and County determines that time is of the essence; County reserves the right at its discretion to

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contact alternate sources to perform the services outlined within this AGREEMENT. County may, at its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

A.3 Confidentiality

1. CONTRACTOR shall abide to health information privacy laws set forth in the Health Insurance Portability and Accountability Act (HIPAA), the Confidentiality of Medical Information Act (CIMA), and California Civil Code § 56 *et seq.*, Senate Bill 541.
2. CONTRACTOR shall sign "Amendment No. 1 to EXHIBIT C - Business Associate AGREEMENT".

A.4 Area Supervisor

1. CONTRACTOR shall designate an Area Supervisor to handle all matters pertaining to day-to-day duties in their work areas between 7a.m. – 7p.m.
2. CONTRACTOR shall provide County with Area Supervisor's 24-hour contact information.
3. Communications with the Area Supervisor shall be binding to the extent of this AGREEMENT.
4. County shall notify Area Supervisor of all quality concerns and the Area Supervisor shall respond within three (3) hours.

A.5 Identification Badges/Background Check

1. All personnel employed by CONTRACTOR shall display proper identification badges in clear view while on County's premises. If employees fail to display the proper identification, County may require them to leave the facility immediately.
2. Services that are not performed as a result may be subject to deductions on the next submitted invoice.
3. CONTRACTOR shall be required to submit appropriate State level criminal background clearance(s), including fingerprinting, for all personnel required to work within County facilities which must be submitted to the County prior to the personnel being allowed to work within such County facilities. A California licensed Investigator must perform the required State level criminal background check(s). CONTRACTOR is responsible for the cost of the background check(s) and fingerprinting.

A.6 Quality Control and Evaluation

1. All services provided by the CONTRACTOR shall be performed in such a way that the finished result equals or exceeds standards set forth in this AGREEMENT. All work shall be performed as specified in the AGREEMENT and in no way shall any time limits set forth by the CONTRACTOR interfere with the quality of work performed and compliance with the AGREEMENT. All work performed under the AGREEMENT shall satisfy, as a minimum, the requirements and standards set forth herein.
2. CONTRACTOR'S Area Supervisor, County Health Department's Contract Coordinator, Compliance Nurse and/or designated County clinic manager, director, and/or their delegated staff shall meet quarterly, or more as requested by the County, to review CONTRACTOR'S performance of services as set forth in this AGREEMENT. CONTRACTOR and County shall note any issues or concerns the County may have regarding the services being provided. CONTRACTOR shall also provide a status update on the scheduled inventories and the certification of new equipment.

3. Quarterly meetings shall occur during the months of July, October, January and April. CONTRACTOR shall contact County to schedule meetings. If CONTRACTOR and County do not meet in-person, CONTRACTOR must still check-in with County and, if applicable, provide status updates to the County electronically during the months of July, October, January and April.
4. County and CONTRACTOR shall complete and sign EXHIBIT D as acknowledgement of receipt and review of the service requirements.
5. Any requests or complaints related to the performance of services will be documented by the County. These documented complaints will be relayed in person or over the phone, or will be forwarded to CONTRACTOR via facsimile or electronic mail. **CONTRACTOR must respond to complaints within 24 hours, except for as stated in Section A.4.d.** CONTRACTOR shall be responsible for tracking the complaints and providing daily status updates, or more frequently as requested, to the County.
6. CONTRACTOR will have 24 hours from the point of time contacted by the County to address and resolve any adverse findings of inspections. After 24 hours, the County can exercise the right to perform another inspection to determine if the issue has been adequately addressed and resolved. If service levels do not match the standards specified in this scope of services, the County may pursue alternate service providers as outlined in Section A.2.

## **B. TERM OF THE AGREEMENT**

- B.1 The initial term commenced July 1, 2014 to June 30, 2016. Amendment No. 1 to the AGREEMENT extends the term to June 30, 2017, unless sooner terminated pursuant to the terms of the Agreement, with the option to extend the AGREEMENT for a remaining one (1) year period.
- B.2 If the County exercises its option to extend, the parties shall mutually agree upon changes to rates, terms and conditions.

## **C. COMPENSATION AND PAYMENTS**

C.1 County shall pay an amount not to exceed \$96,820.00 for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms:

1. CONTRACTOR shall pay for any repair parts at or under \$200.00.
2. COUNTY shall pay for any repair parts over \$200.00.
3. CONTRACTOR's monthly rate for routine certifying, testing and maintenance services for the inventory, as of the effective of the contract, shall be \$2,826.00. Monthly rate may fluctuate based on inventory changes, for instance, due to expanded or satellite clinics. Rate changes are not binding until mutually agreed upon in writing by the COUNTY and CONTRACTOR.
4. COUNTY shall pay for the servicing of HEPA Filter(s) in an amount not to exceed \$980.00 per maintenance service.
  - a. Maintenance service shall include cost of all parts, supplies and labor associated with the required service.

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- C.2 Prices shall remain firm for the initial term of the AGREEMENT and, thereafter, may be adjusted annually as provided in this paragraph.
1. The County does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.
- C.3 Negotiations for rate changes shall be initiated, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the AGREEMENT.
- C.4 Invoice amounts shall be billed directly to the ordering department.
- C.5 CONTRACTOR shall reference the AGREEMENT number on all invoices submitted to the County. CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than thirty (30) days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this AGREEMENT, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within thirty (30) days of receiving the certified invoice.
- C.6 There shall be no travel reimbursement allowed during this Agreement.

## AMENDMENT NO. 1 to EXHIBIT B

### BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective June 1, 2016 ("Effective Date"), 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 Biomed PRN. ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") 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, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

#### 1. DEFINITIONS

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 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 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) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

### **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 determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification 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 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 agents agree to adhere to the same 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 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 provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. 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 two (2) 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) 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 all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative 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 any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

***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. 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, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

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

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any 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) 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) 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) 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 unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a Amendment No. 1 to Agreement with Biomed PRN  
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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 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this 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 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This 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, HITECH or Red Flag 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:

906 Sunset Lane

Soquel, CA 95073

Attn: Andre Adema, Owner

Tel: (831) 427-4000

Fax: \_\_\_\_\_

If to Covered Entity, to:

1270 Natividad Road  
Salinas, CA 93906  
Attn: Director of Health  
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.

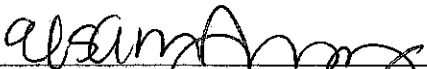
5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule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

5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

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

**COUNTY OF MONTEREY, ON BEHALF OF  
THE HEALTH DEPARTMENT**

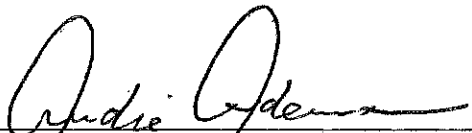
**BIOMED PRN**

By: 

Print Name: Elsa Jimenez

Print Title: Interim Director of Health

Date: 05/20/2016

By: 

Print Name: ANDRE ADEMA

Print Title: PRESIDENT

Date: 4/15/16

**Amendment No. 1 to**

**EXHIBIT C –CLINIC LOCATIONS\***

Clinic locations include, but are not limited to the following:

Laurel Family Practice Clinic 1441 Constitution Blvd, Bldg 400 Suite 300 Salinas, CA 93906 Phone: (831) 755-4123 Fax: (831) 755-4122	Laurel Vista Clinic 1441 Constitution Blvd Bldg 400 Suite 301 Salinas, CA 93906 Phone: (831) 755-4123 Fax: (831) 755-4122
Laurel Internal Medicine Clinic 1441 Constitution Blvd., Bldg. 151 Salinas, CA 93906 Phone: (831) 769-8640 Fax: (831) 769-8632	Laurel Pediatric Clinic 1441 Constitution Blvd., Bldg. 200 Salinas, CA 93906 Phone: (831) 755-4124 Fax: (831) 759-6595
Alisal Health Center 559 E. Alisal St., Ste. 201 Salinas, CA 93905 Phone: (831) 769-8800 Fax: (831) 422-9312	Seaside Family Health Center 1150 Fremont Blvd. Seaside, CA 93955 Phone: (831) 899-8100 Fax: (831) 899-8105
Monterey County Health Clinic at Marina 3155 DeForest Road Marina, CA 93933 Phone: (831) 384-1445 Fax: (831) 384-1454	Monterey County Integrated Health Clinic 299 12 <sup>th</sup> Street Marina, CA 93933 Phone: (831) 899-8100 Fax: (831) 899-8105
Bienestar- Natividad Medical Center 1441 Constitution Blvd., Bldg. 400, Floor Two Salinas, CA 93906 (831) 755-4123 (831) 755-4122	Blank

\*Subject to modifications