



Monterey County Board of Supervisors

Board Order

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

Agreement No.: A-13612

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

Authorized the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Renewal and Amendment No. 1 to the agreement with Corepoint Health, LLC for software product and support services, extending the agreement an additional three (3) years (March 5, 2017 through March 4, 2020) for a revised full agreement term of March 5, 2016 through March 4, 2020, and adding \$142,200 for a revised total agreement amount not to exceed \$225,600.

PASSED AND ADOPTED this 27th day of June 2017, by the following vote, to wit:

AYES: Supervisors Alejo, Phillips, Salinas Parker and Adams

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 80 for the meeting June 27, 2017.

Dated: July 5, 2017
File ID: A 17-160

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

By Denise Hancock
Deputy



**Renewal and Amendment No. 1 to Software License and Services Agreement (Contract No. 974)
between County of Monterey, on behalf of Natividad Medical Center, and Corepoint Health, LLC**

This Renewal and Amendment No. 1 is dated as of March 5, 2017 (the "Renewal and Amendment Effective Date"). It supplements or modifies the Software License and Services Agreement (Contract No. 974) entered into by and between the County of Monterey on behalf of Natividad Medical Center ("Customer") and Corepoint Health, LLC ("Corepoint Health") dated as of March 5, 2016 (the "Agreement"). Capitalized terms used in this Renewal and Amendment and not otherwise defined will have the meanings set forth in the Agreement.

RECITALS

WHEREAS, the Agreement was executed with an Initial Term from March 5, 2016 through March 4, 2017; and

WHEREAS, under the Agreement, Customer purchased a specified number of software licenses, authorizing Customer to use certain Corepoint Health software products and obtained maintenance support services and training services, for a total Agreement amount not to exceed \$83,400; and

WHEREAS, that Agreement expired on March 4, 2017; and

WHEREAS, Customer and Corepoint Health currently wish to renew and amend the Agreement to extend the term for an additional three (3) year period through March 5, 2020, to allow for the continued use of the previously purchased licenses to specified Corepoint Health software products, and to purchase additional software licenses to certain Corepoint Health software products and obtain associated maintenance support services in the amount of \$142,200, for a total Agreement amount not to exceed \$225,600; and

WHEREAS, the parties wish to enter into an updated Business Associate Agreement.

AGREEMENT

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

1. New Exhibit No. 1: Business Associate Agreement. Exhibit No. 1: Business Associate Agreement is hereby attached to the Agreement.
2. Section 10(a). Section 10(a) to the Agreement is hereby amended by adding a sentence to the end so that it reads in its entirety as follows:

"(a). Term. This Agreement will commence on the Effective Date and remain in effect for the Initial Term. This Agreement may subsequently be renewed by the parties for one or more additional Renewal Terms upon written agreement signed by both parties. If not renewed, this Agreement will terminate at the end of the then current Term. The term of the Agreement is extended for three Renewal Terms commencing on March 5, 2017 and terminating on March 4, 2020."

3. Section 1. Section 1 to the Agreement is hereby amended to add a definition for "Year One," "Year Two," and so on so that Section 1 reads in its entirety as follows:

"**Deliverable**" means any literary work and other work of authorship (other than the Software) that Corepoint Health delivers to Customer in the course of providing Professional Services.

"**Documentation**" means user manuals that describe the functions, operation, and use of the Software, and that Corepoint Health makes generally available to licensees of the Software, whether in printed or electronic format.

"**Enterprise**" is any legal entity (such as a corporation) and the subsidiaries it owns by more than 50%.

"**Error**" means any material defect or malfunction in the Software that causes the Software not to conform in material respects with Corepoint Health's current published specifications for the Software, provided that such

nonconformance interferes with the usability of the Software, and Corepoint Health is unable to provide Customer with a workaround.

“Professional Services” means consulting, development work, training, and other professional services provided by Corepoint Health to Customer as described in Statements of Work entered into by the parties.

“Schedules” contain details confirming each order by Customer of Software or Support Services, including applicable pricing. Each Schedule incorporates this Agreement by reference.

“Schemas” means the various transaction schemas and related message format configuration artifacts provided by Corepoint Health for use with the Software.

“Services” means both Professional Services and Support Services.

“Software” means whole or partial copies of (a) the object code form of the Corepoint Health software products identified in Schedule A or in a subsequent Schedule; (b) Documentation; and (c) Updates. **“Client Software”** means that portion of the Software which resides on a workstation and accesses or utilizes functionality or services in a server. Client Software is used to control and monitor the Server Software. **“Server Software”** means that portion of the Software which is installed on, and provides services or functionality for, the server. The Server Software provides message processing, communications, and related functions.

“Statement of Work” or **“SOW”** means the document that describes the Professional Services provided by Corepoint Health to Customer.

“Support Services” means Corepoint Health’s standard support and maintenance services for the Software.

“Term” means the Initial Term and any Renewal Terms, collectively. **“Initial Term”** means the first twelve months of this Agreement starting with the Effective Date. **“Renewal Term”** means each consecutive twelve month period after the Initial Term.

“Updates” are corrected or modified versions of the Software, including enhancements, modifications, error corrections, fixes, patches, and new releases.

“Year One” means the first twelve months of the Agreement starting with the Effective Date (also referred to as the Initial Term). The consecutive twelve months thereafter is referred to as **“Year Two,”** and so on.

4. Section 11(g)(iii). Section 11(g)(iii) (“Insurance Coverage Requirements”) to the Agreement is hereby amended to read in its entirety as follows:
 - iii. Insurance Coverage Requirements. Without limiting Corepoint Health’s duty to indemnify, Corepoint Health shall maintain in effect throughout the term of this Agreement 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, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence; and (2) Errors and Omissions Insurance, including coverage for security incidents, breaches of unsecured protected health information, and cyber liability, with minimum limits of \$1,000,000 per occurrence.
5. New Schedule B. Schedule B attached hereto is hereby added to the Agreement.
6. Compensation. Customer shall pay to Corepoint Health the amount determined in accordance with Schedule B, upon the terms and conditions set forth therein. The total amount payable by Customer to Corepoint Health under this Agreement shall not exceed \$142,200 during the three Renewal Terms commencing March 5, 2017 and terminating on March 4, 2020 and \$225,600 in the aggregate.
7. Full Force and Effect. Except as set forth in this Renewal and Amendment, all other terms and conditions of the Agreement will remain in full force and effect.
8. Addition of this Renewal and Amendment to the Agreement. A copy of this Renewal and Amendment No. 1 shall be attached to the Agreement.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Renewal and Amendment No. 1 on the basis set forth in this document and have executed this Renewal and Amendment No. 1 on the day and year set forth herein.

Agreed to:

Corepoint Health, LLC

By: _____

(Signature)

Phil Guy

(Name typed or printed)

CEO

(Title)

04/03/2017

(Date)

Agreed to:

County of Monterey, on behalf of
Natividad Medical Center

By: _____

(Signature)

GARY ROY

(Name typed or printed)

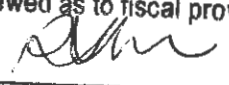
CEO

(Title)

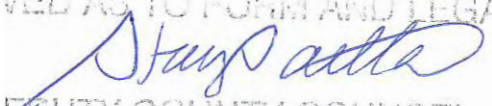
7/12/17

(Date)

Reviewed as to fiscal provisions

 4/17/17
Auditor-Controller
County of Monterey

APPROVED AS TO FORM AND LEGALITY


DEPUTY COUNTY COUNSEL
COUNTY OF MONTEREY

SCHEDULE B
to
Software License and Services Agreement
Contract #974

Schedule Effective Date: March 5, 2017

SOFTWARE PRODUCTS – PRICING AND SUPPORT

Customer's total purchase under this Schedule is \$142,200.00, which shall be paid in three annual payments as specified below.

Term: Year Two (March 5, 2017 - March 4, 2018)

Customer's total purchase under this Renewal Term is **\$49,200.00** for the Software product licenses and Support Services specified in the tables which follow:

- Software Product License Fees.** Customer is purchasing the following licenses during Year Two (March 5, 2017 - March 4, 2018).

Number of Licenses and License Fees:

Software Product	License Fee (per license)		Subtotal	
	Perpetual	Annual	Number of licenses	Price
Package of five connections with A2 (price is for each package required to add connections over 50).	\$3,000.00		3	\$9,000.00
Developer's License (for use on up to three machines within Customer's Enterprise)		\$1,500.00	1	1,500.00
HL7 Analyzer (for use on up to five machines within Customer's Enterprise)		1,500.00	1	1,500.00
Total Annual License Fees				\$12,000.00

- Software Product Support Fees.** Customer is purchasing the following Support Services during Year Two (March 5, 2017 - March 4, 2018).

Annual Support Fees:

Software Support	Support Fee (per license)	Subtotal	
		Number of licenses	Price
Corepoint Integration Engine Runtime with Five (5) connections	\$5,000.00	1	\$5,000.00
RFMDB Gear	1,000.00	1	1,000.00
Assured Availability for Corepoint Integration Engine	1,200.00	1	1,200.00
Package of five connections with A2 (price is for each of the nine (9) packages required to add connections 6 – 50).	1,200.00	9	10,800.00
Package of five connections with A2 (price is for each package required to add connections over 50).	600.00	7	4,200.00
Web Services	5,000.00	1	5,000.00

Corepoint Outreach Manager	6,000.00	1	6,000.00
Upgrade to Corepoint Community Exchange Runtime Server Software with HTTP Gear	3,000.00	1	3,000.00
CareAgent	200.00	5	1,000.00
Total Support Services Fees			\$37,200.00

Term: Year Three (March 5, 2018 - March 4, 2019)

Customer's total purchase under this Renewal Term is **\$51,000.00** for the Software product licenses and Support Services specified in the tables which follow:

- Software Product License Fees.** Customer is purchasing the following licenses during Year Three (March 5, 2018 - March 4, 2019).

Number of Licenses and License Fees:

Software Product	License Fee (per license)		Subtotal	
	Perpetual	Annual	Number of licenses	Price
Package of five connections with A2 (price is for each package required to add connections over 50).	\$3,000.00		3	\$9,000.00
Developer's License (for use on up to three machines within Customer's Enterprise)		\$1,500.00	1	1,500.00
HL7 Analyzer (for use on up to five machines within Customer's Enterprise)		1,500.00	1	1,500.00
Total Annual License Fees				\$12,000.00

- Software Product Support Fees.** Customer is purchasing the following Support Services during Year Three (March 5, 2018 - March 4, 2019).

Annual Support Fees:

Software Support	Support Fee (per license)	Subtotal	
		Number of licenses	Price
Corepoint Integration Engine Runtime with Five (5) connections	\$5,000.00	1	\$5,000.00
RFMDB Gear	1,000.00	1	1,000.00
Assured Availability for Corepoint Integration Engine	1,200.00	1	1,200.00
Package of five connections with A2 (price is for each of the nine (9) packages required to add connections 6 – 50).	1,200.00	9	10,800.00
Package of five connections with A2 (price is for each package required to add connections over 50).	600.00	10	6,000.00
Web Services	5,000.00	1	5,000.00
Corepoint Outreach Manager	6,000.00	1	6,000.00
Upgrade to Corepoint Community Exchange Runtime Server	3,000.00	1	3,000.00

Software with HTTP Gear			
CareAgent	200.00	5	1,000.00
Total Support Services Fees			\$39,000.00

Term: Year Four (March 5, 2019 - March 4, 2020)

Customer's total purchase under this Renewal Term is **\$42,000.00** for the Software product licenses and Support Services specified in the tables which follow:

1. **Software Product License Fees.** Customer is purchasing the following licenses during Year Four (March 5, 2019 - March 4, 2020).

Number of Licenses and License Fees:

Software Product	License Fee (per license)		Subtotal	
	Perpetual	Annual	Number of licenses	Price
Developer's License (for use on up to three machines within Customer's Enterprise)		\$1,500.00	1	\$1,500.00
HL7 Analyzer (for use on up to five machines within Customer's Enterprise)		1,500.00	1	1,500.00
Total Annual License Fees				\$3,000.00

2. **Software Product Support Fees.** Customer is purchasing the following Support Services during Year Four (March 5, 2019 - March 4, 2020).

Annual Support Fees:

Software Support	Support Fee (per license)	Subtotal	
		Number of licenses	Price
Corepoint Integration Engine Runtime with Five (5) connections	\$5,000.00	1	\$5,000.00
RFMDB Gear	1,000.00	1	1,000.00
Assured Availability for Corepoint Integration Engine	1,200.00	1	1,200.00
Package of five connections with A2 (price is for each of the nine (9) packages required to add connections 6 – 50).	1,200.00	9	10,800.00
Package of five connections with A2 (price is for each package required to add connections over 50).	600.00	10	6,000.00
Web Services	5,000.00	1	5,000.00
Corepoint Outreach Manager	6,000.00	1	6,000.00
Upgrade to Corepoint Community Exchange Runtime Server	3,000.00	1	3,000.00
Software with HTTP Gear			
CareAgent	200.00	5	1,000.00
Total Support Services Fees			\$39,000.00

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective April 4, 2017 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Corepoint Health, LLC ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain Services for Covered Entity that may involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, The Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C (the "Security Rule"), (collectively "HIPAA"), all as amended from time to time.

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

D. WHEREAS, To the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, that require compliance with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"), the Parties are committed to so complying.

E. WHEREAS, The Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA, sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("E PHI") shall be handled, in accordance with such requirement.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

1.1 All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in the Privacy Rule, the Breach Notification Rule, or the Security Rule.

(a) “Breach” shall have the same meaning as “breach” as defined in 45 C.F.R. § 164.402 and shall mean the access, acquisition, Use, or Disclosure of PHI in a manner not permitted under the Privacy Rule that compromises the privacy or security of the PHI; the term “Breach” as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient’s “medical information” as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a “breach of the security of the system” under Cal. Civil Code §1798.29.

(b) “California Confidentiality Laws” shall mean the applicable laws of the State of California governing the confidentiality of PHI or Personal Information, including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code §56, et seq.), the patient access law (Cal. Health & Safety Code §123100 et seq.), the HIV test result confidentiality law (Cal. Health & Safety Code §120975, et seq.), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code §5328, et seq.), and the medical identity theft law (Cal. Civil Code 1798.29).

(c) “Protected Health Information” or “PHI” shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individuals, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity’s behalf. **PHI includes EPHI.**

(d) “Services” shall mean the services for or functions on behalf of Covered Entity performed by Business Associate pursuant to a Services Agreement between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws;

(b) Use or Disclose PHI for the purposes authorized by this BAA or as otherwise Required by Law;

(c) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504(e)(4)(ii) provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached;

(f) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1); and

(g) De-identify any PHI obtained by Business Associate under this BAA in accordance with 45 C.F.R. § 164.514 and Use or Disclose such de-identified information only as required to provide Services pursuant to the Services Agreement between the Parties, or with the prior written approval of Covered Entity.

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1 Responsibilities of Business Associate. With regard to its Use and/or Disclosure of PHI, Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted or required by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in a Breach. A ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request. If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall comply with the requirements of Section 3.1(a)(i) below;

(i) Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and, if applicable, the media. Business Associate shall assist with the implementation of any decisions by Covered Entity to notify individuals or potentially impacted individuals;

(b) In consultation with the Covered Entity, Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing any required notification to affected individuals, appropriate government agencies, and, if necessary the media, including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or Personal Information has or may have been compromised as a result of the Breach;

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

(d) Obtain and maintain a written agreement with each of its Subcontractors that creates, maintains, receives, Uses, transmits or has access to PHI that requires such Subcontractors to adhere to the substantially the same restrictions and conditions with respect to PHI that apply to Business Associate pursuant to this BAA;

(e) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule. In addition, Business Associate shall promptly make available to Covered Entity such books, records, or other information relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity (the "Compliance Documents") which shall be treated by Covered Entity as strictly confidential except to the extent such Compliance Documents are required to be disclosed in response to a request of the Secretary. In such event, Covered Entity upon receiving such request shall (i) promptly inform Business Associate in writing; (ii) cooperate with Business Associate in limiting disclosure of the Business Associate's Compliance Documents; and (iii) shall only disclose those Compliance Documents necessary to comply with such request. No attorney-client or other legal privilege shall be deemed waived by Business Associate by virtue of this BAA;

(f) Document Disclosures of PHI and information related to such Disclosure and, within thirty (30) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to

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

a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) As set forth in Section 4.4 below, immediately destroy or return to Covered Entity within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(h) Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform 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 to Covered Entity to meet a request by an individual under 45 C.F.R. § 164.524. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for access to PHI from an Individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for amendment of PHI from an Individual;

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

(k) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(l) Unless prohibited by law, notify the Covered Entity within 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; and

(m) Maintain policies and procedures as required by California Confidentiality Laws and materially in accordance with applicable industry standards designed to ensure the

security and integrity of the Covered Entity's data and protect against threats or hazards to such security.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

(b) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA and the HITECH Act. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA or the HITECH Act.

(c) Business Associate further acknowledges that uses and disclosures of protected health information must be consistent with NMC's privacy practices, as stated in NMC's Notice of Privacy Practices and Covered Entity / NMC acknowledges that PHI will only be disclosed or otherwise provided to Business Associate in accordance with NMC's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online at: <http://www.natividad.com/quality-and-safety/patient-privacy>. Business Associate agrees to periodically review the NMC Notice of Privacy Practices at this URL to remain updated on any changes to the Notice of Privacy Practices NMC may make.

3.3 Responsibilities of Covered Entity. As stated in the preamble to this BAA, Covered Entity is committed to complying with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the HITECH Act, and the California Confidentiality Laws. Therefore, Covered Entity shall, in order to assist Business Associate in its obligations hereunder: (i) comply with HIPAA, the HITECH Act, and California Confidentiality Laws in its Use and Disclosure of PHI; (ii) not Use or Disclose PHI in any manner that violates applicable federal or state laws; (iii) request Business Associate to Use or Disclose PHI to another party only for the purposes allowed by the HIPAA and the HITECH Act; (iv) implement and follow appropriate minimum necessary policies in the disclosure of any PHI under this Agreement or in requesting Business Associate to use PHI in the performance of the Services Agreement; and (v) not knowingly request that Business Associate Use or Disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entity. In addition, 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 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;

(c) Notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; and

(d) Notify Business Associate 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. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Section 4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return all PHI which has not previously been destroyed pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity with a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its Subcontractors. In such event, Business Associate shall: (i) retain only that PHI which is necessary for Business Associate to continue its proper management and administration or carry out its legal responsibilities; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Section 2 above, which applied prior to termination; and (vi) return to Covered Entity the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 2.1, 3.3, 4.4, 5.7, 5.8, 5.11, and 5.12 shall survive termination of this BAA until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this BAA, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA, the HITECH Act, or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

Corepoint Health, LLC
Attn: Phil Guy, CEO
3010 Gaylord Parkway, Suite 320
Frisco, TX 75034
Phone: 214-618-7000
Fax: 214-618-7001

If to Covered Entity, to:

Natividad Medical Center
Attn: Compliance/Privacy Officer
1441 Constitution Blvd.
Salinas, CA 93906
Phone: 831-755-4111
Fax: 831-755-6254

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage,

contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with the Privacy Rule, the Security Rule, and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, to the extent arising out of the Use or Disclosure of PHI in violation of this BAA or other Breach (collectively referred to as a "Misuse of PHI") that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors. In no event will Business Associate have any obligation under this Section or otherwise for any loss, injury, cost, expense, penalty or damage or Misuse of PHI caused by the County's or Covered Entity's failure to comply with its obligations hereunder or the negligence or willful misconduct of personnel of Covered Entity or employed by the County. This provision is in addition to, and independent of, any indemnification provision in any related or other agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Service Agreements and Business Associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control, solely as it pertains to compliance with HIPAA, HITECH, and the California Confidentiality Laws, unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. Business Associate shall maintain insurance coverage as required by the Services Agreement. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Business Associate shall use commercially reasonable efforts to promptly advise Covered Entity of any proceeding, regulatory or other governmental orders or actions brought against business Associate, or any material threat thereof that, in Business Associate's reasonable judgment, affects Business Associate's ability to perform its obligations under this BAA.

5.12 Audit or Investigations. Business Associate shall use commercially reasonable efforts to promptly advise Covered Entity of any audit, compliant review, or complaint

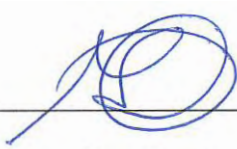
investigation by the Secretary or other state or federal agency related to compliance with HIPAA, the HITECH Act, or the California Confidentiality Laws that, in Business Associate's reasonable judgment, affects Business Associate's ability to perform its obligations under this BAA.

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

BUSINESS ASSOCIATE

By: 
Print Name Phil Guy
Print Title CEO
Date: 4/4/2017

COVERED ENTITY

By: 
Print Name: Gary R. Gray
Print Title: Chief Executive Officer
Date: 7/12/17