



~~CONTRACT~~ MASTER AGREEMENT NO. CVPA N1000010724

FOR

FISCAL INTERMEDIARY SERVICES

BETWEEN

**THE COUNTY OF ORANGE
HEALTH CARE AGENCY**

AND

ADVANCED MEDICAL MANAGEMENT, INC.

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CONTRACT MASTER AGREEMENT NO. CVPAN1000010724
FOR
FISCAL INTERMEDIARY SERVICES FOR THE TB PROGRAM

This ~~Contract~~ Master Agreement Number CVPAN1000010724 (hereinafter "Contract") is made and entered into this 1st day of July, 2009 or upon execution of all necessary signatures between Advanced Medical Management, Inc., (hereinafter "Contractor"), with a place of business at 5000 Airport Plaza Dr. Ste. 150, Long Beach, CA 90815, and the County of Orange, a political subdivision of the State of California, (hereinafter "County"), with a place of business at 511 N. Sycamore St., Santa Ana, CA 92701, which are sometimes individually referred to as "party", or collectively referred to as "parties".

RECITALS

WHEREAS, the County issued a Request for Proposals (RFP) for fiscal intermediary services; and

WHEREAS, the Contractor responded to the RFP solicitation offering the complete scope of work with responsive and favorable terms and conditions to the County and having so represented that its proposed services shall meet or exceed the County's RFP requirements and specifications; and

WHEREAS, the County Board of Supervisors has authorized the Purchasing Agent or designee to enter into a contract with the successful proponent; and

NOW, THEREFORE, the parties mutually agree as follows:

ARTICLES

GENERAL TERMS AND CONDITIONS

- A. **Governing Law and Venue:** This Contract has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties specifically agree to waive any and all rights to request that an action be transferred for trial to another county.
- B. **Entire Contract:** This Contract, its Attachments and Exhibits, when accepted by the Contractor either in writing or by commencement of performance hereunder, contains the entire Contract between the parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing. Electronic acceptance of any additional terms, conditions or supplemental contracts by any County employee or agent, including but not limited to installers of software, shall not be valid or binding on County unless accepted in writing by County's Purchasing Agent or designee, hereinafter "Purchasing Agent."
- C. **Amendments:** No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the parties; no oral understanding or agreement not incorporated herein shall be binding on either of the parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing.

- D. **Taxes:** Unless otherwise provided herein or by law, price quoted does not include California state sales or use tax.
- E. **Delivery:** Time of delivery of goods or services is of the essence in this Contract. County reserves the right to refuse any goods or services and to cancel all or any part of the goods not conforming to applicable specifications, drawings, samples or descriptions or services that do not conform to the prescribed statement of work. Acceptance of any part of the order for goods shall not bind County to accept future shipments nor deprive it of the right to return goods already accepted at Contractor's expense. Overshipments and undershipments of goods shall be only as agreed to in writing by County. Delivery shall not be deemed to be complete until all goods or services have actually been received and accepted in writing by County.
- F. **Acceptance/Payment:** Unless otherwise agreed to in writing by County, 1) acceptance shall not be deemed complete unless in writing and until all the services have actually been received or inspected to the satisfaction of County, and 2) payment shall be made in arrears after satisfactory acceptance.
- G. **Warranty:** Contractor expressly warrants that the goods/services covered by this Contract are 1) free of liens or encumbrances, 2) merchantable and good for the ordinary purposes for which they are used, and 3) fit for the particular purpose for which they are intended. Acceptance of goods/services shall constitute a contract upon Contractor's part to indemnify, defend and hold County and its indemnitees as identified in paragraph "P" below, and as more fully described in paragraph "P", harmless from liability, loss, damage and expense, including reasonable counsel fees, incurred or sustained by County by reason of the failure of the goods/services to conform to such warranties, faulty work performance, negligent or unlawful acts, and non-compliance with any applicable state or federal codes, ordinances, orders, or statutes, including the Occupational Safety and Health Act (OSHA) and the California Industrial Safety Act. Such remedies shall be in addition to any other remedies provided by law.
- H. **Patent/Copyright Materials/Proprietary Infringement:** Unless otherwise expressly provided in this Contract, Contractor shall be solely responsible for clearing the right to use any patented or copyrighted materials in the performance of this Contract. Contractor warrants that any software as modified through services provided hereunder will not infringe upon or violate any patent, proprietary right, or trade secret right of any third party. Contractor agrees that, in accordance with the more specific requirement contained in paragraph "P" below, it shall indemnify, defend and hold County and County indemnitees harmless from any and all such claims and be responsible for payment of all costs, damages, penalties and expenses related to or arising from such claim(s), including, but not limited to, attorney's fees, costs and expenses.
- I. **Assignment or Sub-Contracting:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned or sub-contracted by Contractor without the express written consent of County. Any attempt by Contractor to assign or sub-contract the performance or any portion thereof of this Contract without the express written consent of County shall be invalid and shall constitute a breach of this Contract.
- J. **Non-Discrimination:** In the performance of this Contract, Contractor agrees that it will comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any subcontractors to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons. Contractor acknowledges that a violation of this provision shall subject Contractor to all the penalties imposed for a violation of Section 1720 et seq. of the California Labor Code.

- K. **Termination:** In addition to any other remedies or rights it may have by law, County has the right to terminate this Contract without penalty immediately with cause or after thirty (30) days' written notice without cause, unless otherwise specified. Cause shall be defined as any breach of contract, any misrepresentation or fraud on the part of the Contractor. Exercise by County of its right to terminate the Contract shall relieve County of all further obligations.
- L. **Consent to Breach Not Waiver:** No term or provision of this Contract shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.
- M. **Remedies Not Exclusive:** The remedies for breach set forth in this Contract are cumulative as to one another and as to any other provided by law, rather than exclusive; and the expression of certain remedies in this Contract does not preclude resort by either party to any other remedies provided by law.
- N. **Independent Contractor:** Contractor shall be considered an independent contractor and neither Contractor, its employees, nor anyone working under Contractor shall be considered an agent or an employee of County. Neither Contractor, its employees nor anyone working under Contractor shall qualify for workers' compensation or other fringe benefits of any kind through County.
- O. **Performance:** Contractor shall perform all work under this Contract, taking necessary steps and precautions to perform the work to County's satisfaction. Contractor shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other goods/services furnished by the Contractor under this Contract. Contractor shall perform all work diligently, carefully, and in a good and workman-like manner; shall furnish all labor, supervision, machinery, equipment, materials, and supplies necessary therefor; shall at its sole expense obtain and maintain all permits and licenses required by public authorities, including those of County required in its governmental capacity, in connection with performance of the work; and, if permitted to subcontract, shall be fully responsible for all work performed by subcontractors.
- P. **Indemnification and Insurance:**
- Indemnification Provisions:** Contractor agrees to indemnify, defend with counsel approved in writing by County, and hold County, its elected and appointed officials, officers, employees, agents and those special districts and agencies for which County's Board of Supervisors acts as the governing Board ("County Indemnitees") harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by Contractor pursuant to this Contract. If judgment is entered against Contractor and County by a court of competent jurisdiction because of the concurrent active negligence of County or County Indemnitees, Contractor and County agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.
- Insurance Provisions:** Prior to the provision of services under this Contract, the Contractor agrees to purchase all required insurance at Contractor's expense and to deposit with the County Certificates of Insurance, including all endorsements required herein, necessary to satisfy the County that the insurance provisions of this Contract have been complied with and to keep such insurance coverage and the certificates therefore on deposit with the County during the entire term of this Contract. In addition, all subcontractors performing work on behalf of Contractor pursuant to this Contract shall obtain insurance subject to the same terms and conditions as set forth herein for Contractor.

All insurance policies required by this Contract shall declare any deductible or self-insured retention (SIR) in an amount in excess of \$25,000 (\$5,000 for automobile liability), which shall specifically be approved by the County Executive Office (CEO)/Office of Risk Management. Contractor shall be responsible for reimbursement of any deductible to the insurer. Any self-insured retentions (SIRs) or deductibles shall be clearly stated on the Certificate of Insurance.

If the Contractor fails to maintain insurance acceptable to the County for the full term of this Contract, the County may terminate this Contract.

Qualified Insurer: The policy or policies of insurance must be issued by an insurer licensed to do business in the state of California (California Admitted Carrier).

Minimum insurance company ratings as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com** shall be A- (Secure Best's Rating) and VIII (Financial Size Category).

If the carrier is a non-admitted carrier in the state of California, CEO/Office of Risk Management retains the right to approve or reject carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by the Contractor shall provide the minimum limits and coverage as set forth below:

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability with broad form property damage and contractual liability	\$1,000,000 combined single limit per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 combined single limit per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence

All liability insurance required by this Contract shall be at least \$1,000,000 combined single limit per occurrence. The minimum aggregate limit for the Commercial General Liability policy shall be \$2,000,000.

The County shall be added as an additional insured on all insurance policies required by this Contract with respect to work done by the Contractor under the terms of this Contract (except Workers' Compensation/Employers' Liability). An additional insured endorsement evidencing that the County is an additional insured shall accompany the Certificate of Insurance.

All insurance policies required by this Contract shall be primary insurance, and any insurance maintained by the County shall be excess and non-contributing with insurance provided by these policies. An endorsement evidencing that the Contractor's insurance is primary and non-contributing shall specifically accompany the Certificate of Insurance for the Commercial General Liability.

All insurance policies required by this Contract shall give the County of Orange thirty (30) days' notice in the event of cancellation. This shall be evidenced by an endorsement separate from the Certificate of Insurance. In addition, the cancellation clause must include language as follows, which edits the pre-printed ACORD certificate:

~~SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENT OR REPRESENTATIVE.~~

All insurance policies required by this Contract shall waive all rights of subrogation against the County and members of the Board of Supervisors, its elected and appointed officials, officers, agents and employees when acting within the scope of their appointment or employment.

The Commercial General Liability policy shall contain a severability of interests clause.

The Contractor is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for Workers' Compensation or be self-insured in accordance with provisions of that code. The Contractor will comply with such provisions and shall furnish the County satisfactory evidence that the Contractor has secured, for the period of this Contract, statutory Workers' Compensation insurance and Employers' Liability insurance with minimum limits of \$1,000,000 per occurrence.

Insurance certificates should be forwarded to the agency/department address listed on the solicitation.

If the Contractor fails to provide the insurance certificates and endorsements within seven (7) days of notification by HCA/Purchasing or the agency/department purchasing division, award may be made to the next qualified vendor.

County expressly retains the right to require Contractor to increase or decrease insurance of any of the above insurance types throughout the term of this Contract. Any increase or decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect County.

County shall notify Contractor in writing of changes in the insurance requirements. If Contractor does not deposit copies of acceptable certificates of insurance and endorsements with County incorporating such changes within thirty (30) days of receipt of such notice, this Contract may be in breach without further notice to Contractor, and County shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this Contract.

The County's Certificate of Insurance and the Special Endorsement for the County can be utilized to verify compliance with the above-mentioned insurance requirements in place of commercial insurance certificates and endorsements.

- Q. **Bills and Liens:** Contractor shall pay promptly all indebtedness for labor, materials and equipment used in performance of the work. Contractor shall not permit any lien or charge to attach to the work or the premises, but if any does so attach, Contractor shall promptly procure its release and, in accordance with the requirements of paragraph "P" above, indemnify, defend, and hold County harmless and be responsible for payment of all costs, damages, penalties and expenses related to or arising from or related thereto.
- R. **Changes:** Contractor shall make no changes in the work or perform any additional work without the County's specific written approval.

- S. **Change of Ownership:** Contractor agrees that if there is a change or transfer in ownership of Contractor's business prior to completion of this Contract, the new owners shall be required under terms of sale or other transfer to assume Contractor's duties and obligations contained in this Contract and complete them to the satisfaction of County.
- T. **Force Majeure:** Contractor shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this Contract caused by any act of God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided Contractor gives written notice of the cause of the delay to County within thirty-six (36) hours of the start of the delay and Contractor avails itself of any available remedies.
- U. **Confidentiality:** Contractor agrees to maintain the confidentiality of all County and County-related records and information pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this Contract. All such records and information shall be considered confidential and kept confidential by Contractor and Contractor's staff, agents and employees.
- V. **Compliance with Laws:** Contractor represents and warrants that services to be provided under this Contract shall fully comply, at Contractor's expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by County in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by County. Contractor acknowledges that County is relying on Contractor to ensure such compliance, and pursuant to the requirements of paragraph "P" above, Contractor agrees that it shall defend, indemnify and hold County and County Indemnitees harmless from all liability, damages, costs and expenses arising from or related to a violation of such laws.
- W. **Freight (F.O.B. Destination):** Contractor assumes full responsibility for all transportation scheduling, packaging, handling, insurance, and other services associated with delivery of all products deemed necessary under this Contract.
- X. **Pricing:** The Contract price shall include full compensation for providing all required goods, in accordance with required specifications, or services, as specified herein or when applicable, in the scope of services attached to this Contract, and no additional compensation will be allowed therefor, unless otherwise provided for in this Contract.
- Y. **Waiver of Jury Trial:** Each party acknowledges that it is aware of and has had the opportunity to seek advice of counsel of its choice with respect to its rights to trial by jury, and each party, for itself and its successors, creditors, and assigns, does hereby expressly and knowingly waive and release all such rights to trial by jury in any action, proceeding or counterclaim brought by any party hereto against the other (and/or against its officers, directors, employees, agents, or subsidiary or affiliated entities) on or with regard to any matters whatsoever arising out of or in any way connected with this Contract and/or any other claim of injury or damage.
- Z. **Terms and Conditions:** Contractor acknowledges that it has read and agrees to all terms and conditions included in this Contract.
- AA. **Headings:** The various headings and numbers herein, the grouping of provisions of this Contract into separate clauses and paragraphs, and the organization hereof are for the purpose of convenience only and shall not limit or otherwise affect the meaning hereof.
- BB. **Severability:** If any term, covenant, condition or provision of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

- CC. **Calendar Days:** Any reference to the word “day” or “days” herein shall mean calendar day or calendar days, respectively, unless otherwise expressly provided.
- DD. **Attorney Fees:** In any action or proceeding to enforce or interpret any provision of this Contract, or where any provision hereof is validly asserted as a defense, each party shall bear its own attorney’s fees, costs and expenses.
- EE. **Interpretation:** This Contract has been negotiated at arm’s length and between persons sophisticated and knowledgeable in the matters dealt with in this Contract. In addition, each party had been represented by experienced and knowledgeable independent legal counsel of its own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each party further acknowledges that it has not been influenced to any extent whatsoever in executing this Contract by any other party hereto or by any person representing it, or both. Accordingly, any rule or law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Contract against the party that has drafted it is not applicable and is waived. The provisions of this Contract shall be interpreted in a reasonable manner to effect the purpose of the parties and this Contract.
- FF. **Authority:** The parties to this Contract represent and warrant that this Contract has been duly authorized and executed and constitutes the legally binding obligation of its respective organization or entity, enforceable in accordance with its terms.
- GG. **Employee Eligibility Verification:** The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirement set forth in Federal statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by the law. The Contractor shall indemnify, defend with counsel approved in writing by County, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

ADDITIONAL TERMS AND CONDITIONS

1. **Scope of Contract:** This Contract specifies the contractual terms and conditions by which the County will procure goods or services from the Contractor. The detailed Scope of Work is fully set forth in Attachment A and incorporated herein by reference.
2. **Term of Contract:**

This Contract shall be in effect from July 1, 2009 through and including June 30, 2010, renewable for two (2) additional one (1) year periods unless terminated by the parties in accordance with Articles 5, 6, and 7.
3. **Precedence:** The Contract documents consist of this Contract, its Attachments and Exhibits. In the event of a conflict between the Contract documents, the order of precedence shall be the provisions of the main body of this Contract (such as those provisions set forth in the Recitals and Articles of this Contract), then the Attachments and then the Exhibits.

4. **Pricing Structure:** The Contractor agrees that no price/fee increases shall be passed along to the County during the term of this Contract. Contractor may discount said prices anytime during the term of the Contract.
5. **Subject to Fiscal Appropriations:** This Contract is subject to and contingent upon applicable budgetary appropriations being made by the County of Orange Board of Supervisors for each fiscal year during the term of this Contract. If such appropriations are not approved, the Contract shall be terminated without penalty to the County.
6. **Contingency of Funds:** Contractor acknowledges that funding or portions of funding for this Contract may also be contingent upon the receipt of funds from, and/or appropriation of funds by, the state of California to County. If such funding and/or appropriations are not forthcoming, or are otherwise limited, County may immediately terminate or modify this Contract without penalty.
7. **Termination:**
 - A. **Termination – Default:** If Contractor is in default of any of its obligations under this Contract and has not commenced cure within ten (10) days after receipt of a written notice of default from County and cured such default within the time specified in the notice, the County shall immediately be entitled to either commence resolution in accordance with this paragraph or to terminate this Contract by giving written notice to take effect immediately. Default shall include failure to carry out any of the requirements of this Contract, including, but not limited to not providing enough properly skilled workers or proper materials, persistently disregarding laws and or ordinances, not proceeding with the work as agreed to herein, or otherwise substantially violating any provision of this Contract. Upon termination of the Contract with Contractor, the County may begin negotiations with a third-party contractor to provide goods and/or services as specified in this Contract.

The right of either party to terminate this Contract hereunder shall not be affected in any way by its waiver of or failure to take action with respect to any previous default.
 - B. **Termination – Orderly:** After receipt of a termination notice from the County, the Contractor shall submit to the County a termination claim, if applicable. Such claim shall be submitted promptly, but in no event later than 60 days from the effective date of the termination, unless one or more extensions in writing are granted by the County upon written request of the Contractor. Upon termination County agrees to pay the Contractor for all services performed prior to termination which meet the requirements of the Contract, provided, however, that such compensation plus previously paid compensation shall not exceed the total compensation set forth in the Contract. Upon termination or other expiration of this Contract, each party shall promptly return to the other party all papers, materials, and other properties of the other held by each for purposes of execution of the Contract. In addition, each party will assist the other party in orderly termination of this Contract and the transfer of all aspects, tangible and intangible, as may be necessary for the orderly, non-disruptive business continuation of each party.
8. **County's Project Manager:** The County shall appoint a Project Manager to act as liaison between the County and the Contractor during the term of this Contract. The County's Project Manager shall coordinate the activities of the County staff assigned to work with the Contractor.
9. **Contractor's Project Manager:** Contractor shall appoint a Project Manager to direct the Contractor's efforts in fulfilling Contractor's obligations under this Contract and shall diligently pursue all work and services to meet the project time lines.
10. **Work Performed per Specifications – Exceptions:** All work will be performed in accordance with the Scope of Work, Attachment A. Should any exceptions be necessary, these exceptions will be negotiated and must be mutually agreed to by both parties and noted in writing in the resultant contract.

11. **Adjustments – Scope of Work:** No adjustments made to the Scope of Work will be authorized or paid for without prior written approval of the County-assigned buyer.
12. **Price Increase/Decrease:** No price increases will be permitted during the first period of the Contract. All price decreases will automatically be extended to the County. The County requires bona fide proof of cost increases on contracts prior to any price adjustment. A minimum of thirty (30) days' advance notice in writing is required to secure such adjustment. No retroactive price adjustments will be considered. The County may enforce, adjust, negotiate, or cancel escalating price contracts or take any other action it deems appropriate, as it sees fit. The net dollar amount of profit will remain firm during the period of the Contract. Adjustments increasing the Contractor's profit will not be allowed.
13. **Expenditure Limit:** The Contractor shall notify the County-assigned buyer in writing when the expenditures against the Contract reach seventy-five percent (75%) of the dollar limit on the Contract. The County will not be responsible for any expenditure overruns and will not pay for work exceeding the dollar limit on the Contract unless a change order to cover those costs has been issued.
14. **Disputes – Contract:**
 - A. The parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a reasonable period of time by the Contractor's project manager and the County's project manager, such matter shall be brought to the attention of the County Purchasing Agent by way of the following process:
 1. The Contractor shall submit to the agency/department-assigned buyer a written demand for a final decision regarding the disposition of any dispute between the parties arising under, related to, or involving this Contract, unless the County, on its own initiative, has already rendered such a final decision.
 2. The Contractor's written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to the Contract, the Contractor shall include with the demand a written statement signed by a senior official indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects the Contract adjustment for which the Contractor believes the County is liable.
 - B. Pending the final resolution of any dispute arising under, related to, or involving this Contract, the Contractor agrees to diligently proceed with the performance of this Contract, including the delivery of goods and/or provision of services. The Contractor's failure to diligently proceed shall be considered a material breach of this Contract.

Any final decision of the County shall be expressly identified as such, shall be in writing, and shall be signed by the County Purchasing Agent or designee. If the County fails to render a decision within ninety (90) days after receipt of the Contractor's demand, it shall be deemed a final decision adverse to the Contractor's contentions. The County's final decision shall be conclusive and binding regarding the dispute unless the Contractor commences action in a court of competent jurisdiction to contest such decision within ninety (90) days following the date of the County's final decision or one year following the accrual of the cause of action, whichever is later.
15. **Breach of Contract:** The failure of the Contractor to comply with any of the provisions, covenants or conditions of this Contract shall be a material breach of this Contract. In such event the County may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:

- A. Afford the Contractor written notice of the breach and ten (10) calendar days or such shorter time that may be specified in this Contract within which to cure the breach;
- B. Discontinue payment to the Contractor for and during the period in which the Contractor is in breach; and
- C. Offset against any monies billed by the Contractor but yet unpaid by the County those monies disallowed pursuant to the above.

- 16. Audits/Inspections:** Contractor agrees to permit the County's Auditor-Controller or the Auditor-Controller's authorized representative (including auditors from a private auditing firm hired by the County) access during normal working hours to all books, accounts, records, reports, files, financial records, supporting documentation, including payroll and accounts payable/receivable records, and other papers or property of Contractor for the purpose of auditing or inspecting any aspect of performance under this Contract. The inspection and/or audit will be confined to those matters connected with the performance of the Contract including, but not limited to, the costs of administering the Contract. The County will provide reasonable notice of such an audit or inspection.

The County reserves the right to audit and verify the Contractor's Records before final payment is made.

Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated under this Contract or by law. Contractor agrees to allow interviews of any employees or others who might reasonably have information related to such records.

Should the Contractor cease to exist as a legal entity, the Contractor's Records pertaining to this Contract shall be forwarded to the surviving entity in a merger or acquisition or, in the event of liquidation, to the County's Project Manager.

- 17. Validity:** The invalidity in whole or in part of any article or provision of this Contract shall not void or affect validity of any other article or provision of this Contract.
- 18. California Public Records Act:** Contractor and County agree and acknowledge that all information and documents related to the award and performance of this Contract are subject to disclosure pursuant to the California Public Records Act, California Government Code Section 6250 *et seq.* However, if a Public Records Act request is made by a third party, County will provide Contractor with ten (10) business days' written notice prior to the release of such information or documents. Unless Contractor takes action to legally prevent such disclosure (such as obtaining a court order prohibiting the disclosure), County will be required to release the information and/or documents as legally required.
- 19. News/Information Release:** The Contractor agrees that it will not issue any news releases or upload County logos or other information onto any website in connection with either the award of this Contract or any subsequent amendment of or effort under this Contract without first obtaining review and written approval from the County through the County's Project Manager. All press releases, including graphic display information to be published in newspapers, magazines, etc., are to be administered only by the County unless otherwise agreed to by both parties.
- 20. Notices:** Any and all notices, requests, demands and other communications called for, permitted or required to be given hereunder shall be in writing, except through the course of the parties' routine exchange of information and cooperation during the term of the Contract and except as otherwise provided herein, and shall be deemed to have been duly given (a) upon actual delivery, if delivery is made in person; or (b) upon delivery agreed to as the actual day of receipt or no more than four (4) calendar days after being mailed by United States certified or registered mail,

return receipt requested, postage prepaid, addressed to the appropriate party (the date of mailing shall count as the first day), whichever occurs first. All notices shall be delivered to the following address or such other address as the parties hereto may designate by written notice from time to time in the manner aforesaid:

For Contractor:	Name: Advanced Medical Management, Inc. Attention: Kathryn Hegstrom, President Address: 5000 Airport Plaza Dr. Ste. 150 Long Beach, CA 90815 Telephone: (562) 766-2000 Ext. 226 Facsimile: (562) 766-2006 Email: khegstrom@amm.cc
County:	Name: County of Orange HCA/ Purchasing Department Attention: Cathy Chang Address: 511 N. Sycamore St. Santa Ana, CA 92701 Telephone: (714) 834-7674 Facsimile: (714) 834-2657 Email: cchang@ochca.com
CC:	Name: County of Orange HCA/ PHMS/Pulmonary Disease Services Attention: Mike Carson, Project Manager Address: 1725 W. 17 th Street, Rm. 104M Santa Ana, CA 92706 Telephone: (714) 834-8406 Fax: (714) 834-8728 Email: mcarson@ochca.com

21. County of Orange Child Support Enforcement Requirements: In order to comply with the child support enforcement requirements of the County of Orange, within ten (10) days of notification of selection of award of Contract but prior to official award of Contract, the selected Contractor agrees to furnish to the Buyer, the Purchasing Agent, or the agency/department Deputy Purchasing Agent:

- A. In the case of an individual contractor, his/her name, date of birth, social security number, and residence address;
- B. In the case of a contractor doing business in a form other than as an individual, the name, date of birth, social security number, and residence address of each individual who owns an interest of ten (10) percent or more in the contracting entity;
- C. A certification that the contractor has fully complied with all applicable federal and state reporting requirements regarding its employees; and
- D. A certification that the contractor has fully complied with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment and will continue to so comply.

Failure of the Contractor to timely submit the data and/or certifications required may result in Contract being awarded to another contractor. In the event a Contract has been issued, failure of the Contractor to comply with all federal, state, and local reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment shall constitute a material breach of the Contract. Failure to cure such

breach within sixty (60) calendar days of notice from the County shall constitute grounds for termination of the Contract.

- 22. EDD Independent Contractor Reporting Requirements:** Effective January 1, 2001, the County of Orange is required to file federal Form 1099-Misc for services received from a "service provider" to whom the County pays \$600 or more or with whom the County enters into a Contract for \$600 or more within a single calendar year. The purpose of this reporting requirement is to increase child support collection by helping to locate parents who are delinquent in their child support obligations.

The term "service provider" is defined in California Unemployment Insurance Code Section 1088.8, subparagraph B.2 as "an individual who is not an employee of the service recipient for California purposes and who received compensation or executes a Contract for services performed for that service recipient within or without the state." The term is further defined by the California Employment Development Department to refer specifically to independent contractors. An independent contractor is defined as "an individual who is not an employee of the government entity for California purposes and who receives compensation or executes a Contract for services performed for that government entity either in or outside of California."

The reporting requirement does not apply to corporations, general partnerships, limited liability partnerships, and limited liability companies.

Additional information on this reporting requirement can be found at the California Employment Development Department web site located at: www.edd.ca.gov/txicr.htm.

To comply with the reporting requirements, County procedures for contracting with independent contractors mandate that the following information be completed and forwarded to the contracting agency/department immediately upon request:

First name, middle initial, and last name
Social security number
Address
Start and expiration dates of Contract
Amount of Contract

- 23. Contractor – Change of Ownership:** The Contractor agrees that if there is a change in ownership prior to completion of this Contract, the new owner will be required, under terms of sale, to assume this Contract and complete it to the satisfaction of the County.
- 24. Subcontracting:** No performance of this Contract or any portion thereof may be assigned or subcontracted by the Contractor without the express written consent of the County. Any attempt by the Contractor to assign or subcontract any performance of this Contract without the express written consent of the County shall be invalid and shall constitute a breach of this Contract.

In the event that the Contractor is authorized by the County to subcontract, this Contract shall prevail and the terms of the subcontract shall incorporate by reference and not conflict with the terms of this Contract. In the manner in which the County expects to receive services, the County shall look to the Contractor for performance and not deal directly with any subcontractor. All matters related to this Contract shall be handled by the Contractor with the County; the County will have no direct contact with the subcontractor in matters related to the performance of this Contract. All work must meet the approval of the County.

- 25. Parking:** The County shall not provide free parking.

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the dates shown opposite their respective signatures below.

ADVANCED MEDICAL MANAGEMENT, INC.

Date: _____ By: _____

Title: _____
Contractor *

Date: _____ By: _____

Title: _____
Contractor *

* Pursuant to the requirements of California Corporations Code Section 313, one of the following two methods must be used by a corporation when it enters into a contract with the County:

- 1) Two people must sign the document. One of them must be the chairman of the Board, the president, or any vice president. The other must be the secretary, any assistant secretary, the chief financial officer or any assistant treasurer.
- 2) One corporate officer may sign the document, providing that written evidence of the officer's authority to bind the corporation with only his or her signature must be provided. This evidence would ideally be a corporate resolution.

**COUNTY OF ORANGE, a Political Subdivision
of the State of California**

Date: _____ By: _____

Title: _____
Purchasing Manager I

**APPROVED AS TO FORM
Office of the County Counsel
Orange County, California**

Date: _____ By: _____

Deputy County Counsel

ATTACHMENT A
SCOPE OF WORK
FOR
TUBERCULOSIS (TB) PROGRAM

The Public Health Medical Services [Tuberculosis (TB)] Program (PHMS) is responsible for the monitoring and treatment of communicable diseases, primarily TB. The County contracts with a fiscal intermediary for processing and payment of claims for patients referred to private hospitals and physicians for follow-up care, primarily UCI Medical Center at rates negotiated by HCA. While it is anticipated that the majority of claims submitted would be for the treatment of TB, it is possible that other Public Health medical care and treatment (e.g., minors requiring evidentiary examinations and State hospital patients requiring medical care), as approved by HCA Public Health, may also be authorized for claims reimbursement.

SERVICES

FUND MANAGEMENT

The County Fiscal Year (FY) runs from July 1 through June 30 and this Contract in support of this program would span the same time period. For FY 2009-10, the County has budgeted approximately \$310,500 for reimbursement of hospital and physician claims for PHMS. The County will distribute to the Contractor an initial payment in July so that payment of claims received on and after July 1 can begin immediately. Claims payment for the PHMS is based on the date the claim is received, not the date services are provided. Additional funds may be requested if the amount of claims received by the Contractor exceeds the amount of funds initially made available. The funds budgeted for this program are not a capped amount and may be exceeded if necessitated by the number and amount of claims submitted. As a result, there is no final settlement process associated with this program. The additional funds are subject to approval of the Project Manager and Board of Supervisors.

The Contractor for the PHMS shall maintain an interest-bearing account to deposit funds disbursed by the County for the purpose of reimbursing provider claims. At sole discretion of the Project Manager, interest earned on this Account shall be used for the reimbursement of claims authorized in accordance with this Contract or returned to the County. Unspent funds for any FY, including any interest earned, will be applied to the following FY or, if this Contract is not renewed, returned to the County.

There are various circumstances in which a provider will not cash their check payment or will receive a third-party settlement and return the payment to the Contractor. These funds will be added to the interest-bearing account.

CLAIMS PROCESSING AND PAYMENT

For the PHMS, the Contractor receives approximately 1,375 claims per year from hospitals, physicians, and other providers as necessary and appropriate to provide the needed level of care. The Contractor is responsible for reviewing all claims to ensure that County responsibility for the patient has been verified. County responsibility is verified with a signed County Treatment Authorization Request (TAR), or certification by HCA that services were provided to a person for whom County is claiming medical responsibility. Claims submitted after 180 days from the date of service must have supporting documentation to indicate the claim was in a third-party payor process and subsequently denied. Claims submitted after 274 days from the date of services shall be denied. These timeframes are subject to change at the request of the County and in consideration of its negotiated agreement with PHMS providers.

Hospital and physician claims are paid at rates negotiated by HCA. For services provided at UCI Medical Center, HCA has a contract in place, which identifies the percentage of billed charges or Resource-Based

Relative Value Scale (RBRVS) for corresponding hospital and physician services and the Contractor will be provided a copy of the UCI Medical Center contract.

Contractor shall provide an address and email address/secure website for submission of claims and correspondence by authorized providers, which address may be modified upon mutual written agreement between Contractor and County's Project Manager.

Paper claims shall be submitted to the following address:

Advanced Medical Management
County of Orange TB Network Program
PO Box 3689
Long Beach, CA 90853

Electronic claims may be submitted on Contractor's website: <https://amm.cc>

All claims shall be processed (suspended, approved, or denied) within ten (10) working days of receipt by Contractor. Approved claims shall be disbursed on a bi-weekly basis. If the number of claims received by the Contractor during any ten-day work period exceeds the average number of claims received during the three (3) working ten-day work periods, the Contractor shall have additional working days which shall be mutually agreed upon by both parties.

DATA MANAGEMENT AND REPORTING

The County currently requires the following reports, with the majority of the data elements comprised of information that can be extracted from the claims database. The Contractor shall provide these requested reports as well as respond to variations in various data elements of any of these reports if requested by the County. Reports shall be available via secure reporting web portal.

Claims Detail Report: Alphabetical by patient name including date of birth; claim number; referral source; chart number; provider name; service type; date of service; length of stay, if applicable; amount billed, paid, and disallowed; International Statistical Classification of Diseases and Related Health Problems, ninth edition (ICD9) and Current Procedural Terminology/Healthcare Common Procedure Coding System (CPT/HCPCS) codes; description of ICD9 and CPT/HCPCS codes. (Monthly and Cumulative Year-to-Date)

Claims Summary Report: By referral source and grand total: number of inpatient days and amount paid; number of physician service days and amount paid; and number of outpatient service days and amount paid. (Monthly)

Claim Status Report: Alphabetical by patient name including date of birth; claim number; service type; date received; date adjudicated; claim status (pending, paid, denied); date paid; and processing time. (Monthly)

Claim Status Summary Report: By month claim received (12-month period); number of claims received; number of claims rejected; number of claims in process; number of claims paid; number of claims denied; total claims finalized; percent claims processed; and grand totals, 12-month averages, and percentage of claims received for previous variables. (Monthly)

Fund Reconciliation Report: Beginning balance, statement end balance, and reconciliation report end balance. Cleared, uncleared, and new transactions. For cleared transactions, reconciliation of funds paid to the Contractor by the County, interest earned by the account, disbursements paid by the Contractor to community providers, and refunds to the Contractor by community providers. For uncleared transactions, checks and payments prior to statement ending date. For new transactions, checks, payments, and credits after statement ending date. (Monthly)

Interest-bearing account statement: Copy of statement provided to Contractor by the financial

institution responsible for the PHMS interest-bearing account. (Monthly)

Ad-hoc data reports: The Contractor shall have a data system that is robust and flexible enough to respond to periodic ad-hoc data requests in as short amount of time as possible and with little or no additional financial burden to the County. Reports shall be available via secure reporting web portal.

ADDITIONAL REQUIREMENTS

DATA SYSTEM

The Contractor shall have a rules-based and date sensitive automated claims system. The data system will be HIPAA compliant.

KNOWLEDGE OF MEDICARE AND MEDI-CAL REIMBURSEMENT

Rates negotiated by HCA may be based on a percentage or factor of Medicare and/or Medi-Cal reimbursement. Therefore, the Contractor shall have knowledge of Medicare and Medi-Cal reimbursement.

RANDOM CLAIM AUDITS

The Contractor is required to perform monthly random claim file audits and make the result available to County staff. These random audits are not intended to replace any audits that may be conducted by County or other authorized personnel.

TELEPHONE NUMBER(S)

The Contractor shall maintain a telephone number dedicated to facilitating communication with providers submitting claims. If the Contractor does not have a location in Orange County, the number must be a toll-free number as, with rare exception, all providers submitting claims will be Orange County-based service providers. The Contractor shall be responsible for notifying providers of the phone number(s) and the hours of operation. This phone number may also be used by County staff and authorized patient representatives, including patients' attorneys, regarding charges and reimbursements for services made by the Contractor during any contract period.

RECORDS RETENTION AND STORAGE

The Contractor shall retain/maintain all records relating to patient care for a minimum of seven (7) years. The Contractor may, in fulfillment of its obligation to retain the financial and patient records as required by the County, substitute photographs, microphotographs, or other authentic reproductions of such records acceptable to the County, after two (2) years following the FY in which payment was made for the services, unless a shorter period is authorized by the County.

ATTACHMENT B
COMPENSATION

I. COMPENSATION

This is a fixed-fee contract in an amount not to exceed ~~three hundred twenty-eight thousand five hundred~~ **five hundred ninety-nine thousand five hundred fifty three** dollars (~~\$328,500~~**599,553**) for the period of July 1, 2009 through and including June 30, 2010 between the County and Contractor for fiscal intermediary services as provided in Attachment A, Scope of Work.

There shall be two types of invoices for services provided in accordance with this Contract:

A. Fiscal Intermediary Account – Upon receipt of a properly completed invoice, County shall direct the transfer of funds to the Account as follows:

1. \$310,500 commencing July 1, 2009.
2. Upon determination by Contractor that the Account requires additional funds for reimbursement of claims authorized in accordance with this Contract, Contractor shall submit a supplemental invoice to County, together with any documentation that may be required by the Project Manager.

B. Administrative Fee - The compensation for the Administrative Fee shall be as follows:

Year One (7/1/09 – 6/30/10).....	\$18,000.00/year or \$4,500/quarterly
Year Two (7/1/10 – 6/30/11).....	\$18,000.00/year or \$4,500/quarterly
Year Three (7/1/11 – 6/30/12)	\$20,000.00/year or \$5,000/quarterly

The Contractor agrees to accept the specified compensation as full remuneration for performing all goods and services and furnishing all staffing and materials called for; for any reasonably foreseen difficulties under the responsibility of the Contractor which may arise or be encountered in the execution of the services until their acceptance; for risks connected with the services; and for performance by the Contractor of all of its duties and obligations hereunder. The fixed price shall include the fee and all expenses related to the performance of work and services required to meet the tasks and deliverables in the Scopes of Work set forth more fully in Attachment A of this Contract.

II. PAYMENT TERMS

A. Terms

1. **Fiscal Intermediary Account:** Payment for this account shall be payable in advance, after the County's Auditor-Controller's receipt of an approved invoice for services submitted in accordance with the terms set forth herein. The invoices must be verified and approved by the County's Project Manager and is subject to routine processing requirements of the County.
2. **Administrative Fee:** Payment for the administrative fee shall be payable quarterly in arrears, after the County's Auditor-Controller's receipt of an approved invoice for services submitted in accordance with the terms set forth herein. The invoices must be verified and approved by the County's Project Manager and is subject to routine processing requirements of the County.

Payment made by the County shall not preclude the right of the County from thereafter disputing any items or services involved or billed under this Contract and shall not be construed as acceptance of any part of the services.

B. Invoicing Instructions

1. Invoices and all supporting documentation shall be submitted to the following address:

County of Orange
Health Care Agency/Accounting
Attn: Accounts Payable
PO Box 689
Santa Ana, CA 92702

The County's Project Manager is responsible for preliminary approval of invoices and subsequent submittal of invoices to the County Auditor-Controller for payment.

2. Acceptable Invoicing Format: Contractor may bill on any standard invoice form, but the following references must be made:
 - a. County ~~Contract~~ Master Agreement Number CVPAN1000010724
 - b. Contractor's Name, Contractor's Federal I.D. Number and California Board of Equalization Permit Number
 - c. Description of services
 - d. Quantity of services or numbers of hours worked
 - e. Unit cost or hourly rate of services
 - f. Date(s) of services
 - g. Total amount of payment requested
 - h. Remittance address

The responsibility for providing acceptable invoice(s) to the County for payment rests with the Contractor. Incomplete or incorrect invoices are not acceptable and will be returned to the Contractor for correction.

ATTACHMENT C

**HIPAA BUSINESS ASSOCIATES
AGREEMENT**

TERMS AND CONDITIONS

A. GENERAL PROVISIONS

1. The Parties agree that the terms used in this Contract shall have the same meaning as those terms in the Standards for Privacy of Individually Identifiable Health Information, 45 Code of Federal Regulations (CFR), Parts 160 and 164, otherwise known as the Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule, as it may exist now or be hereafter amended.
2. It is agreed by both Parties that Contractor is a Business Associate of the County for the purposes of this Contract.
3. It is understood by both Parties that Contractor is not a Covered Entity, as defined by HIPAA, and is not responsible for complying with said regulations for purposes of safeguarding any Protected Health Information (PHI) generated by Contractor for its own purposes.
4. It is understood by both Parties that the Privacy Rule does not pre-empt any State and/or Federal laws, rules or regulations that impose more stringent requirements with respect to confidentiality of client information.

B. OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE

1. Contractor agrees not to use or disclose Protected Health Information (PHI) other than as permitted or required by this Contract or as required by law.
2. Contractor agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Contract.
3. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of the requirements of this Contract.
4. Contractor agrees to report to County within ten (10) calendar days any use or disclosure of PHI not provided for by this Contract of which Contractor becomes aware.
5. Contractor agrees to ensure that any agent, including a subcontractor, to whom it provides PHI received from County, or PHI created or received by Contractor on behalf of County, agrees to the same restrictions and conditions set forth in the business associate provisions of the Privacy Rule that apply throughout this Contract.
6. Contractor agrees to provide access, within fifteen (15) days of receipt of a written request by County, to PHI in a Designated Record Set, to County or, as directed by County, to an individual client in order to meet the requirements under 45 CFR Section 164.524.
7. Contractor agrees to make any amendment(s) to PHI in a Designated Record Set that County directs or agrees to pursuant to 45 CFR Section 164.526 at the request of County or an individual client, within thirty (30) days of receipt of said request by County.

8. Contractor agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by Contractor on behalf of, County available to County and the Secretary of the Department of Health and Human Services, in a time and manner as determined by County, or as designated by the Secretary, for purposes of the Secretary determining County's compliance with the Privacy Rule.
9. Contractor agrees to document any disclosures of PHI and information related to such disclosures as would be required for County to respond to a request by an individual client for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
10. Contractor agrees to provide County or an individual client, as directed by County, in a time and manner to be determined by County, in order to permit County to respond to a request by an individual client for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

C. SECURITY RULE

1. Security. Contractor shall establish and maintain appropriate administrative, physical and technical safeguards that reasonably and appropriately protected the confidentiality, integrity and availability of electronic protected health information. Contractor shall follow generally accepted system security principles and the requirements of the final HIPAA rule pertaining to the security of health information.
2. Agents and Subcontractors. Contractor shall ensure that any agent, including a subcontractor, to whom it provides electronic protected health information agrees to implement reasonable and appropriate safeguards to protect that information.
3. Security Incidents. Contractor shall report any security incident of which it becomes aware to Client. For purposes of this agreement, a "security incident" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations. This does not include trivial incidents that occur on a daily basis, such as scans, "pings", or unsuccessful attempts to penetrate computer networks or servers maintained by Contractor.

D. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

Except as otherwise limited in this Contract, Contractor may use or disclose PHI to perform functions, activities, or services for, or on behalf of, County as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if done by County.

E. OBLIGATIONS OF COUNTY

1. County shall notify Contractor of any limitation(s) in County's notice of privacy practices in accordance with 45 CFR Section 164.520, to the extent that such limitation may affect Contractor's use or disclosure of PHI.
2. County shall notify Contractor of any changes in, or revocation of, permission by an individual client to use or disclose PHI, to the extent that such changes may affect Contractor's use or disclosure of PHI.
3. County shall notify Contractor of any restriction to the use or disclosure of PHI that County has agreed to in accordance with 45 CFR Section 164.522, to the extent that such restriction may affect Contractor's use or disclosure of PHI.
4. County shall not request Contractor to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by County.

F. BUSINESS ASSOCIATE TERMINATION

1. In addition to the rights and remedies provided to County by this Contract upon termination, if County gains knowledge of any material breach by Contractor of the requirements of paragraph nineteen (19), County shall:
 - a Provide an opportunity for Contractor to cure the breach or end the violation and terminate this Contract if Contractor does not cure the breach or end the violation within thirty (30) days; or
 - b Immediately terminate this Contract if Contractor has breached a material term of this Contract and cure is not possible; or
 - c If neither termination nor cure is feasible, County shall report the violation to the Secretary of the Department of Health and Human Services.
2. Upon termination of this Contract, all PHI provided by County to Contractor, or created or received by Contractor on behalf of County, shall either be destroyed or returned to County at County's sole discretion, and in conformity with the Privacy Rule. This provision shall apply to PHI that is in the possession of subcontractors or agents of Contractor. If it is infeasible to return or destroy PHI, Contractor shall extend the protections of this Contract to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Contractor maintains such PHI.

EXHIBIT 1

**COUNTY OF ORANGE
CHILD SUPPORT ENFORCEMENT REQUIREMENTS**

In order to enhance the child support collection efforts of the County of Orange Child Support Services, all contractors are required to provide the following information as listed on the attached form:

- If the Contractor is an individual contractor: Name, date of birth, social security number, and residence address.
- If Contractor is doing business in a form other than as an individual: Name, date of birth, social security number, and residence address of *each* individual who owns an interest of ten (10) percent or more in the contracting entity.

In addition, all contractors must provide:

- A certification that the Contractor has fully complied with all applicable federal and state reporting requirements regarding its employees, and
- A certification that the Contractor has fully complied with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment and will continue to so comply.

Information provided shall be transmitted to the Child Support Office, which has been charged with the establishment and enforcement of child support orders. Copies shall not be retained by the requesting agency.

Failure of the Contractor to submit the data and/or certifications required above or to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment **shall constitute a material breach of the Contract.** Failure to cure such breach within sixty (60) calendar days of notice from the County shall constitute grounds for termination of the Contract.

**COUNTY OF ORANGE
CHILD SUPPORT ENFORCEMENT
CERTIFICATION REQUIREMENTS**

1. For an individual contractor:

Name, date of birth, social security number, and residence address:

Name: _____
D.O.B: _____
Social Security No: _____
Residence Address: _____

2. For contractor doing business in a form other than as an individual:

The name, date of birth, social security number, and residence address of each individual who owns an interest of ten (10) percent or more in the contracting entity (if no individual owns ten (10) percent or more, write "N/A"):

Name: _____
D.O.B: _____
Social Security No: _____
Residence Address: _____

Name: _____
D.O.B: _____
Social Security No: _____
Residence Address: _____

Name: _____
D.O.B: _____
Social Security No: _____
Residence Address: _____

(Additional sheets may be used if necessary)

Child Support Enforcement Certificate

"I certify that Advanced Medical Management, Inc. is in full compliance with all applicable federal and state reporting requirements regarding its employees and with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments and will continue to be in compliance throughout the term of Contract No. N1000010724 with the County of Orange. I understand that failure to comply shall constitute a material breach of the Contract and that failure to cure such breach within sixty (60) calendar days of notice from the County shall constitute grounds for termination of the Contract."

Signature*	Name (Please Print)
<hr/>	
Title	Date
<hr/>	
Advanced Medical Management, Inc.	
<hr/>	
Company Name	
<hr/>	
N1000010724	
<hr/>	
Contract Number	

***Two signatures required if a corporation.**

Signature*	Name (Please Print)
<hr/>	
Title	Date
<hr/>	
Advanced Medical Management, Inc.	
<hr/>	
Company Name	
<hr/>	
N1000010724	
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Contract Number	