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REFERENCED CONTRACT PROVISIONS

Master Allocation Period: July 1, 2009~~2008~~ through June 30, 2010~~2009~~

HOSPITAL Allocation Period: July 1, 2009 through June 30, 2010

Notices to COUNTY and HOSPITAL:

COUNTY: Orange County Health Care Agency
 Manager of Operations
 Medical and Institutional Health Services Operations
 405 W. 5th Street, Room 718
 Santa Ana, California 92701

Orange County Health Care Agency
 Deputy Agency Director
 Medical & Institutional Health Services
 405 W. 5th Street, Room 726
 Santa Ana, CA 92701

HOSPITAL: «Hospital_Legal_Name»
 «Street_»
 «City_», «State_» «Zip»
 Attn: «Name__Title»

HOSPITAL'S Insurance Coverages:

<u>Coverage</u>	<u>Minimum Limits</u>
Workers' Compensation	Statutory
Employer's Liability	\$1,000,000
Professional Liability	\$3,000,000
Comprehensive General Liability	\$5,000,000

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I. ALLOCATION PERIOD

A. The allocation period of this Agreement shall commence and terminate as specified on Page 3 of this Agreement, unless otherwise sooner terminated as provided elsewhere in this Agreement; provided, however, the parties shall continue to be obligated to comply with the requirements and perform such duties specified in this Agreement. Such duties include, but are not limited to, obligations with respect to claims processing, reimbursement, confidentiality, indemnification, audits, accounting, and data reporting.

B. Any administrative duty or obligation to be performed pursuant to this Agreement on a weekend or holiday may be performed on the next regular business day.

II. ALTERATION OF TERMS

This Agreement, together with Exhibits A, ~~B~~, and ~~BC~~ attached hereto and incorporated herein by reference, fully expresses all understanding of COUNTY and HOSPITAL with respect to the subject matter of this Agreement, and shall constitute the total Agreement between the parties for these purposes. No addition to, or alteration of, the terms of this Agreement, whether written or verbal, shall be valid unless made in writing and formally approved and executed by both parties.

III. COMPLIANCE

A. COUNTY'S Health Care Agency (HCA) has established a Compliance Program for the purpose of ensuring adherence to all rules and regulations related to federal and state health care programs.

1. HOSPITAL may adopt HCA'S Compliance Program or establish its own. If HOSPITAL has established its own Compliance Program, HOSPITAL shall acknowledge existence of HCA's Compliance Program and shall provide certification to ADMINISTRATOR that HOSPITAL shall operate its own Compliance Program and shall ensure that its employees, subcontractors, interns, volunteers, and members of Board of Directors or duly authorized agent, if appropriate, ("Covered Individuals") are made aware of HOSPITAL'S Compliance Program policies and procedures.

2. If HOSPITAL elects to adopt HCA'S Compliance Program, ADMINISTRATOR shall provide HOSPITAL with a copy of the relevant HCA Policies and Procedures relating to the Office of Compliance. HOSPITAL shall ensure that Covered Individuals relative to this Agreement are made aware of these Policies and Procedures.

B. CODE OF CONDUCT – Under the direction of the HCA Office of Compliance, a Code of Conduct for adherence by all HCA employees and contract providers has been developed.

1. Within thirty (30) calendar days of award of this Agreement, HOSPITAL has the option of submitting to ADMINISTRATOR a signed acknowledgement and agreement that HOSPITAL shall comply with the "HCA Contractor Code of Conduct" specified in subparagraph B.3 below or HOSPITAL shall submit a copy of its Code of Conduct to ADMINISTRATOR for review and comparison to federal, state, and COUNTY standards by the HCA Compliance Officer.

//

1 2. If HOSPITAL elects to submit a copy of its Code of Conduct, HCA's Compliance Officer
2 shall advise HOSPITAL of any necessary changes to Hospital's Code of Conduct to meet minimum
3 standards and HOSPITAL shall either take necessary action to meet said standards or shall be asked to
4 acknowledge and agree to the "HCA Contractor Code of Conduct" ~~specified in subparagraph B.3. below.~~

5 ~~3. HCA CONTRACTOR CODE OF CONDUCT HOSPITAL and its employees and~~
6 ~~subcontractors shall:~~

7 ~~a. Comply with all applicable laws, regulations, rules or guidelines when providing and~~
8 ~~billing for services specified herein.~~

9 ~~b. Use their best efforts to conduct themselves honestly fairly, courteously and with a high~~
10 ~~degree of integrity in their professional dealings related to this Agreement and avoid any conduct that~~
11 ~~could reasonably be expected to reflect adversely upon the integrity of HOSPITAL and/or COUNTY.~~

12 ~~c. Treat COUNTY employees, clients and other COUNTY contractors fairly and with~~
13 ~~respect.~~

14 ~~d. NOT engage in any activity in violation of this Agreement, nor engage in any other~~
15 ~~conduct which violates any applicable law, regulation, rule or guideline.~~

16 ~~e. Take precautions to ensure that claims are prepared and submitted accurately, timely and~~
17 ~~are consistent with all applicable laws, regulations, rules or guidelines.~~

18 ~~f. Ensure that no false, fraudulent, inaccurate or fictitious claims for payment or~~
19 ~~reimbursement of any kind are submitted.~~

20 ~~g. Bill only for eligible services actually rendered and fully documented and use billing~~
21 ~~codes that accurately describe the services provided.~~

22 ~~h. Act promptly to investigate and correct problems if errors in claims or billings are~~
23 ~~discovered.~~

24 ~~i. Promptly report to HCA'S Compliance Officer any activity that HOSPITAL believes~~
25 ~~may violate the standards of the HCA Compliance Program, or any other applicable law, regulation, rule~~
26 ~~or guideline.~~

27 ~~j. Promptly report to HCA'S Compliance Officer any suspected violation(s) of this HCA~~
28 ~~Contractor Code of Conduct by COUNTY employees.~~

29 ~~k. Consult with HCA's Compliance Officer if there are any questions or uncertainties of any~~
30 ~~Compliance Program standard or any other applicable law regulation, rule or guideline.~~

31 ~~4. Failure of HOSPITAL to submit the acknowledgement of the HCA Contractor Code of~~
32 ~~Conduct or its own Code of Conduct shall constitute a material breach of this Agreement, and failure to~~
33 ~~ure such breach within sixty (60) calendar days of such notice from ADMINISTRATOR shall constitute~~
34 ~~grounds for termination of this Agreement as to the non-complying party.~~

35 C. HOSPITAL shall screen all Covered Individuals employed or retained to provide services related
36 to this Agreement to ensure that they are not designated as "Ineligible Persons," as defined hereunder.
37 Screening shall be conducted against the General Services Administration's List of Parties Excluded from

1 Federal Programs and the Health and Human Services / Office of Inspector General List of Excluded
2 Individuals / Entities.

3 1. Ineligible Person shall be any individual or entity who: (i) is currently excluded, suspended,
4 debarred or otherwise ineligible to participate in the federal health care programs; or (ii) has been
5 convicted of a criminal offense related to the provision of health care items or services and has not been
6 reinstated in the federal health care programs after a period of exclusion, suspension, debarment, or
7 ineligibility.

8 2. HOSPITAL shall screen prospective Covered Individuals prior to hire or engagement.
9 HOSPITAL shall not hire or engage any Ineligible Person to provide services relative to this Agreement.

10 3. HOSPITAL shall screen all current Covered Individuals annually unless otherwise authorized
11 in writing by ADMINISTRATOR, to ensure that they have not become Ineligible Persons.

12 4. Covered Individuals shall be required to disclose to HOSPITAL immediately any debarment,
13 exclusion or other event that makes the Covered Individual an Ineligible Person. HOSPITAL shall notify
14 COUNTY immediately upon such disclosure.

15 5. In addition to screening organizations and vendor under subcontract, HOSPITAL shall also
16 request that its subcontractors use their best efforts to verify that they are eligible to participate in all
17 federal and State of California health programs and have not been excluded or debarred from participation
18 in a federal or state health care programs, and to further represent to HOSPITAL that they do not have any
19 Ineligible Person in their employ or under contract.

20 6. HOSPITAL acknowledges that Ineligible Persons are precluded from providing federal and
21 state funded health care services by contract with COUNTY in the event that they are currently sanctioned
22 or excluded by a federal or state law enforcement regulatory or licensing agency. If HOSPITAL becomes
23 aware that a Covered Individual has become an Ineligible Person, HOSPITAL shall remove such
24 individual from responsibility for, or involvement with, HCA business operations related to this
25 Agreement.

26 D. REIMBURSEMENT STANDARDS

27 1. HOSPITAL shall take reasonable precaution to ensure that the coding of health care claims
28 and billing for same are prepared and submitted in an accurate and timely manner and are consistent with
29 federal, state and county laws and regulations. This includes compliance with federal and state health care

30 //

31 -program regulations and procedures or instructions otherwise communicated by regulatory agencies
32 including the Centers for Medicare and Medicaid Services or their agents.

33 2. HOSPITAL shall not submit false, fraudulent, inaccurate or fictitious claims for payment or
34 reimbursement of any kind.

35 3. HOSPITAL shall bill only for those eligible services actually rendered which are also fully
36 documented. When such services are coded, HOSPITAL shall use only correct billing codes that
37 accurately describe the services provided.

#

4. HOSPITAL shall act promptly to investigate and correct any problems or errors in coding of claims and billing, if and when, any such problems or errors are identified.

E. COMPLIANCE TRAINING – ADMINISTRATOR shall make General Compliance Training and Provider Compliance Training, where appropriate, available to Covered Individuals.

1. HOSPITAL shall use its best efforts to encourage completion by Covered Individuals; provided, however, that at a minimum HOSPITAL shall assign at least one (1) designated representative to complete all Compliance Trainings when offered ~~attendance at Compliance Training by Covered Individuals.~~

2. Such training will be made available to Covered Individuals within thirty (30) calendar days of employment or engagement.

3. Such training will be made available to each Covered Individual annually.

4. Each Covered Individual attending training shall certify, in writing, attendance at compliance training. HOSPITAL shall retain the certifications. Upon written request by ADMINISTRATOR, HOSPITAL shall provide copies of the certifications.

IV. CONFIDENTIALITY

A. Each party shall use its best efforts to maintain the confidentiality of all records, including billings, claims, and any audio and/or video recordings, in accordance with all applicable state and federal codes and regulations, as they now exist or may hereafter be amended or changed.

B. Prior to providing any services pursuant to this Agreement, all members of the Board of Directors or its designee or authorized agent, ~~HOSPITAL'S~~ employees, subcontractors, and ~~contractors,~~ volunteer staff or interns of HOSPITAL, ~~and members of Board of Directors or duly authorized agent(s)~~ shall agree, in writing, with HOSPITAL to ~~use their respective best efforts to maintain, in accordance with applicable laws and regulations,~~ the confidentiality of any and all information and records which may be obtained in the course of providing such services. The ~~Agreement~~ ~~agreement~~ shall specify that it is effective irrespective of all subsequent resignations or terminations of HOSPITAL'S Board ~~employees, contractors, volunteer staff or interns, and~~ members or its designee ~~of Board of Directors~~ or ~~duly~~ authorized agent, employees, subcontractors, and volunteers or interns.

C. However, COUNTY understands and agrees that if HOSPITAL is a public institution, HOSPITAL is subject to the provisions of the California Public Records Act. In the event HOSPITAL receives a request to produce this Agreement, or identify any term, condition, or aspect of this Agreement, HOSPITAL will contact COUNTY, within forty-eight (48) hours to advise of such request to release this information.

//

V. DELEGATION, ~~AND~~ ASSIGNMENT AND SUBCONTRACTS

A. HOSPITAL may not delegate the obligations hereunder-, either in whole or in part, without

1 prior written consent of COUNTY, which consent shall not be unreasonably withheld, conditioned, or
2 delayed; provided however, obligations undertaken by HOSPITAL pursuant to this Agreement may be
3 carried out by means of contracts, provided such contracts meet the requirements of this Agreement as
4 they relate to the service or activity under contract, include any provisions that ADMINISTRATOR may
5 reasonably require, and are approved in writing by ADMINISTRATOR, which approval shall not be
6 unreasonably conditioned, withheld, or delayed. This provision shall not be applicable to service
7 agreements usually and customarily entered into by HOSPITAL to obtain or arrange for supplies,
8 technical support, or professional services. No contract shall terminate or alter the responsibilities of
9 HOSPITAL to COUNTY pursuant to this Agreement.

10 #

11 ~~B.~~ HOSPITAL may not assign the rights hereunder, either in whole or in part, without the prior
12 written consent of COUNTY, which consent shall not be unreasonably withheld, conditioned, withheld,
13 or delayed.

14 B. For HOSPITAL which are nonprofit corporations, any change from a nonprofit corporation to any
15 other corporate structure of HOSPITAL, including a ~~Any~~ change in more than fifty percent (50%) of the
16 composition of the Board of Directors within a two (2) month period of time, shall be deemed an
17 assignment for purposes of this paragraph. Any attempted assignment or delegation in derogation of this
18 paragraph shall be void. ADMINISTRATOR may disallow, from payments otherwise due HOSPITAL,
19 amounts claimed for subcontracts not approved in accordance with this paragraph.

20 C. For HOSPITAL which are for-profit organizations, any change in the business ~~the control~~
21 structure, including but not limited to, the sale or transfer of more than ~~ten~~ fifty percent (10~~50~~%) of the
22 assets or ~~stocks~~ stock of HOSPITAL, change to another corporate structure, including a change to a sole
23 proprietorship, or a change in fifty percent (50%) or more of HOSPITAL'S directors at one time (~~six-~~
24 ~~months or less~~) shall be deemed an assignment pursuant to this paragraph. Any attempted assignment or
25 delegation in derogation of this ~~paragraph~~ subparagraph shall be void.

26
27 **VI. FACILITIES, PAYMENTS AND SERVICES**

28 A. COUNTY shall compensate HOSPITAL, and HOSPITAL agrees to provide the services, staffing,
29 facilities, any equipment and supplies, and reports in accordance with this Agreement. HOSPITAL shall
30 use its best efforts to operate continuously throughout the allocation period of this Agreement with at least
31 the minimum number and type of staff which meet applicable state requirements, and which are necessary
32 for the provision of services hereunder.

33 B. HOSPITAL shall, at its own expense, provide and maintain the organizational and administrative
34 capabilities required to carry out its duties and responsibilities under this Agreement and in accordance
35 with all applicable statutes and regulations pertaining to hospital service providers.

36 //

37 //

VII. INSPECTIONS AND AUDITS

A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative of the State of California, the Secretary of the United States Department of Health and Human Services, the Comptroller General of the United States, or any of their authorized representatives, shall have access to any books, documents, and records, including, but not limited to, medical and patient records, of HOSPITAL which such persons deem reasonably pertinent to this Agreement, for the purpose of responding to a patient complaint or, conducting an audit, review, evaluation, or examination, or making transcripts during the periods of retention set forth in the Records Paragraph of Exhibit A to this Agreement. The above mentioned persons, may at all reasonable times, inspect or otherwise evaluate the services provided pursuant to this Agreement and the premises in which they are provided; provided, however, such inspections or evaluations shall not interfere with patient care.

- 1. These audits, reviews, evaluations, or examinations may include, but are not limited to, the following:
 - a. Level and quality of care, including the necessity and appropriateness of the services provided.
 - b. Financial records when determined necessary to protect public funds.

2. ADMINISTRATOR shall provide HOSPITAL with at least fifteen (15) calendar days prior notice of such inspection or evaluation. Unannounced inspections, evaluations, or requests for information may be made in those situations where arrangement of an appointment beforehand is not possible or inappropriate due to the nature of the inspection or evaluation.

B. HOSPITAL shall actively participate and cooperate with any person specified in subparagraph A. above in any evaluation of the services provided pursuant to this Agreement, and shall provide the above-mentioned persons adequate office space to conduct such evaluation.

C. AUDIT RESPONSE

1. Following an audit report, in the event of non-compliance with applicable laws and regulations governing funds provided, or to be provided, through this Agreement, COUNTY may terminate this Agreement or may direct HOSPITAL to immediately implement appropriate corrective action. A plan of correction shall be submitted to ADMINISTRATOR in writing within thirty (30) calendar days after receiving notice from ADMINISTRATOR.

2. If the audit reveals that money is payable from one party to the other, that is, reimbursement by HOSPITAL to COUNTY, or payment of sums due from COUNTY to HOSPITAL, said funds shall be due and payable from one party to the other within sixty (60) calendar days of receipt of the audit results. If reimbursement is due from HOSPITAL to COUNTY, and such reimbursement is not received within said sixty (60) days, COUNTY may, in addition to any other remedies, reduce any amount owed

1 HOSPITAL by an amount not to exceed the reimbursement due COUNTY.

2 //

3 //

4 **VIII. INSURANCE**

5 A. HOSPITAL warrants that it is self-insured or shall maintain in force at all times during the
6 allocation period of this Agreement, the policy or policies of insurance covering its operations with
7 reputable insurance companies in amounts as specified on Page 3 of this Agreement. Upon request by
8 ADMINISTRATOR, HOSPITAL shall provide evidence of such insurance.

9 B. COUNTY warrants it is self-insured or maintains policies of insurance placed with reputable
10 insurance companies licensed to do business in the State of California which insure the perils of bodily
11 injury, medical, professional liability and property damage. Upon request by HOSPITAL, COUNTY shall
12 provide evidence of such insurance.

13
14 **IX. LICENSES AND LAWS**

15 A. HOSPITAL, its officers, agents, employees, affiliates, and contractors shall, throughout the
16 allocation period of this Agreement, maintain all necessary licenses, permits, approvals, accreditations,
17 certificates, waivers and exemptions necessary for the provision of the services hereunder and required by
18 the laws and regulations of the United States, the State of California, COUNTY, and any other applicable
19 governmental agencies. HOSPITAL shall notify ADMINISTRATOR immediately and in writing of its
20 inability to obtain or maintain, irrespective of the pendency of any hearings or appeals, such permits,
21 licenses, approvals, certificates, accreditations, waivers and exemptions. Said inability shall be cause for
22 termination of this Agreement.

23 B. HOSPITAL shall comply with all applicable governmental laws, regulations, or requirements as
24 they exist now or may be hereafter amended or changed.

25 C. This Agreement is not intended nor shall it be construed to affect, except as expressly provided
26 for herein, COUNTY'S or HOSPITAL'S existing rights, obligations, and responsibilities with respect to
27 care required by or provided to indigent patients; provided, however, that each party's rights and
28 obligations with respect to patients treated hereunder shall be limited to the rights and obligations
29 established and agreed to hereunder.

30 D. HOSPITAL warrants, to the best of its knowledge, that all hospital-based physicians providing
31 services at HOSPITAL, under this Agreement, are and will continue to be, as long as this Agreement
32 remains in effect, the holders of currently valid licenses to practice medicine in the State of California and
33 are members in "good standing" of the medical staff of HOSPITAL'S facility.

34 E. HOSPITAL warrants that it makes its best effort to fully comply with all federal and state statutes
35 and regulations regarding the employment of aliens and others and that employees performing work under
36 this Agreement meet the citizenship or alien status requirement set forth in federal statutes and
37 regulations. HOSPITAL shall obtain, from all employees performing work hereunder, all verification and

1 other documentation of employment eligibility status required by federal or state statutes and regulations
2 including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as
3 //
4 -they currently exist and as they may be hereafter amended. HOSPITAL shall retain all such
5 documentation for all covered employees for the period prescribed by the law.

6 **F. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS**

7 1. HOSPITAL agrees to furnish to ADMINISTRATOR within thirty (30) calendar days of the
8 award of this Agreement:

9 a. In the case of an individual contractor, his/her name, date of birth, Social Security
10 number, and residence address;

11 b. In the case of a contractor doing business in a form other than as an individual, the name,
12 date of birth, Social Security number, and residence address of each individual who owns an interest of
13 ten percent (10%) or more in the contracting entity;

14 c. A certification that HOSPITAL has fully complied with all applicable federal and state
15 reporting requirements regarding its employees;

16 d. A certification that HOSPITAL has fully complied with all lawfully served Wage and
17 Earnings Assignment Orders and Notices of Assignment, and will continue to so comply.

18 2. Failure of HOSPITAL to timely submit the data or certifications required by subparagraph
19 1.a., 1.b., 1.c., or 1.d. above, or to comply with all federal and state employee reporting requirements for
20 child support enforcement or to comply with all lawfully served Wage and Earnings Assignment Orders
21 and Notices of Assignment shall constitute a material breach of this Agreement, and failure to cure such
22 breach within sixty (60) calendar days of notice from COUNTY shall constitute grounds for termination
23 of this Agreement as to the non-complying party.

24 3. It is expressly understood that this data will be transmitted to governmental agencies charged
25 with the establishment and enforcement of child support orders, or as permitted by federal and/or state
26 statute.

27
28 **X. NONDISCRIMINATION**

29 **A. EMPLOYMENT**

30 1. During the performance of this Agreement, HOSPITAL shall not unlawfully discriminate
31 against any employee or applicant for employment because of his or her ethnic group identification, race,
32 religion, ancestry, color, creed, sex, marital status, national origin, age (40 and over), sexual preference,
33 medical condition, or physical or mental disability. HOSPITAL shall warrant that the evaluation and
34 treatment of employees and applicants for employment are free from discrimination in the areas of
35 employment, promotion, demotion or transfer; recruitment or recruitment advertising; layoff or
36 termination; rate of pay or other forms of compensation; and selection for training, including
37 apprenticeship. There shall be posted, in conspicuous places, available to employees and applicants for

1 employment, notices from ADMINISTRATOR and/or the United States Equal Employment Opportunity
2 Commission setting forth the provisions of the Equal Opportunity Clause.

3 //

4 2. All solicitations or advertisements for employees placed by or on behalf of HOSPITAL and
5 its contractors shall state that all qualified applicants will receive consideration for employment without
6 regard to ethnic group identification, race, religion, ancestry, creed, color, sex, marital status,
7 national origin, age (40 and over), sexual preference, medical condition, or physical or mental disability.
8 Such requirement shall be deemed fulfilled by use of the phrase "an equal opportunity employer."-----
9 -----

10 3. HOSPITAL shall give written notice of its obligations under this Equal Opportunity Clause to
11 each labor union with which HOSPITAL has a collective bargaining agreement.

12 4. Upon a finding of discrimination by the Equal Opportunity Commission, Department of Fair
13 Employment and Housing, or a court of competent jurisdiction, and after exhaustion of any and all
14 appeals, this Agreement may be canceled, terminated or suspended in whole or in part, and HOSPITAL
15 may be declared ineligible for future contracts.

16 B. SERVICES, BENEFITS, AND FACILITIES - HOSPITAL shall not discriminate in the
17 provision of services, the allocation of benefits, or in the accommodation in facilities on the basis of
18 ethnic group identification, race, religion, ancestry, creed, color, sex, marital status, national origin, age
19 (40 and over), sexual preference, medical condition, or physical or mental disability in accordance with
20 Title VI of the Civil Rights Act of 1964 (~~5~~-42, U.S.C.A. §2000d) and all other pertinent rules and
21 regulations promulgated pursuant thereto, and as otherwise provided by state law and regulations, as all
22 may now exist or be hereafter amended or changed.

23 C. PERSONS WITH DISABILITIES - HOSPITAL agrees to comply with the provisions of §504
24 of the Rehabilitation Act of 1973 (29 U.S.C.A. 794 et seq., as implemented in 45 CFR 84.1 et seq.), and
25 the Americans with Disabilities Act of 1990 (42 U.S.C.A. 12101, et seq.), pertaining to the prohibition
26 of discrimination against qualified persons with disabilities in all programs or activities, as they exist
27 now or may be hereafter amended together with succeeding legislation.

28 D. RETALIATION - Neither HOSPITAL, nor its employees or agents shall intimidate, coerce, or
29 take adverse action against any person for the purpose of interfering with rights secured by federal or state
30 laws, or because such person has filed a complaint, certified, assisted, or otherwise participated in an
31 investigation, proceeding, hearing or any other activity undertaken to enforce rights secured by federal or
32 state law.

33
34 **XI. NOTICES**

35 A. Unless otherwise specified in this Agreement, all notices, claims, correspondence, reports, and/or
36 statements authorized or required by this Agreement, shall be effective:

37 1. When written and delivered personally; or

1 principal and agent, between COUNTY and HOSPITAL or of either party's employees, agents,
 2 consultants, or contractors. Each party assumes exclusively the responsibility for the acts of its employees,
 3 agents, consultants, or contractors as they relate to the services to be provided during the course and scope
 4 of their employment or respective contracts.

5 B. COUNTY shall neither have, nor exercise, any control or direction over the methods by which
 6 HOSPITAL shall perform its obligations under this Agreement. The standards of medical care and
 7 professional duties of HOSPITAL'S employees performing medical services under this Agreement shall
 8 be determined, as applicable, by HOSPITAL'S Board of Directors and the standards of care in the
 9 community in which HOSPITAL is located, and all applicable provisions of law and other rules and
 10 regulations of any and all governmental authorities relating to licensure and regulation of HOSPITAL.

11 **XIV. TERM**

12
 13 A. This specific Agreement with HOSPITAL is only one of several agreements to which the terms
 14 of this Master Agreement applies. The term of this Master Agreement shall commence on July 1,
 15 ~~2009~~2008 and terminate on June 30, ~~2010~~2009; provided, however, that the specific term for
 16 HOSPITAL shall be as specified on Page 3 of this Agreement; and provided further that the parties shall
 17 continue to be obligated to comply with the requirements and perform the duties specified in this
 18 Agreement. Such duties include, but are not limited to, obligations with respect to reporting,
 19 indemnification, audits, and accounting.

20 B. Any administrative duty or obligation to be performed pursuant to this agreement on a
 21 weekend or holiday may be performed on the next regular business day.

22 **XIV. TERMINATION**

23
 24 A. Neither party shall be liable nor deemed to be in default for any delay or failure in performance
 25 under this Agreement or other interruption of service or employment deemed resulting, directly or
 26 indirectly, from Acts of God, civil or military authority, acts of public enemy, war, accidents, fires,
 27 explosions, earthquakes, floods, failure of transportation, machinery or suppliers, vandalism, strikes or
 28 other work interruptions by a party's officers, agents, employees, affiliates, or contractors, or any similar
 29 cause beyond the reasonable control of any party to this Agreement. However, all parties shall make good
 30 faith efforts to perform under this Agreement in the event of any such circumstance.

31 B. COUNTY may terminate this Agreement immediately, upon written notice, on the occurrence of
 32 any of the following events:

- 33 1. The loss by HOSPITAL of legal capacity.
- 34 2. Cessation of services.
- 35 3. The loss of accreditation or any license required by the Licenses and Law paragraph of this
 36 Agreement.
- 37 4. The delegation or assignment by HOSPITAL of obligations hereunder to another entity

1 without the prior written consent of COUNTY.

2 //

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5 C. CONTINGENT FUNDING

6 1. Any obligation of COUNTY under this Agreement shall be contingent upon the following:

7 a. The continued availability of federal, state and county funds for reimbursement of
8 COUNTY'S expenditures, and

9 b. Inclusion of sufficient funding for the services hereunder in the applicable budget
10 approved by the Board of Supervisors.

11 2. In the event such funding is subsequently reduced or terminated:

12 a. COUNTY may reduce its obligations to make payments under this Agreement upon
13 thirty (30) calendar days prior written notice to HOSPITAL.

14 b. HOSPITAL may terminate this Agreement; provided, however, HOSPITAL shall give
15 thirty (30) calendar days prior written notice to COUNTY, which notice shall be given no later than thirty
16 (30) calendar days after notice by COUNTY of its intent to reduce funding, without any cure period,
17 notwithstanding any other prior or subsequent provisions of this Agreement.

18 D. After receiving a Notice of Termination, HOSPITAL shall do the following:

19 1. Comply with termination instructions provided by ADMINISTRATOR in a manner that is
20 consistent with recognized standards of quality care and prudent business practice for hospitals in the
21 communities in which HOSPITAL is located.

22 2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract
23 performance during the remaining allocation period.

24 3. Until the date of termination, continue to provide the same level of service required by this
25 Agreement.

26 4. Until the date of termination, continue to be reimbursed by COUNTY for provision of
27 services specified herein.

28 5. If patients are to be transferred to another facility for services, furnish ADMINISTRATOR,
29 upon request, all patient information and records deemed necessary by ADMINISTRATOR to effect an
30 orderly transfer.

31 #
32 6. Assist ADMINISTRATOR in effecting the transfer of patients in a manner consistent with
33 their best interests.

34 E. The rights and remedies of COUNTY and HOSPITAL provided in this Termination paragraph
35 shall not be exclusive, and are in addition to any other rights and remedies provided by law or under this
36 Agreement.

37

1 IN WITNESS WHEREOF, the parties have executed this Agreement in the County of Orange, State
2 of California.

3
4 COUNTY OF ORANGE

5
6 BY: _____

7
8 HEALTH CARE AGENCY

9
10 DATE: _____

11
12
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14 «Hospital_Legal_Name»

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16 BY: _____

BY: _____

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18 PRINTED NAME: _____

PRINTED NAME: _____

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20 TITLE: _____

TITLE: _____

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22 DATED: _____

DATED: _____

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26 APPROVED AS TO FORM:
27 OFFICE OF THE COUNTY COUNSEL
28 ORANGE COUNTY, CALIFORNIA

29
30 BY: _____

DATED: _____

31
32 If Hospital is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the
33 Board, Chief Executive Officer, the President or any Vice President; and one (1) signature by the
34 Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer. If the
35 Agreement is signed by one (1) authorized individual only, a copy of the corporate resolution or by-laws
36 whereby the board of directors has empowered said authorized individual to act on its behalf by his or
37 her signature alone is required

EXHIBIT A
TO AGREEMENT FOR THE PROVISION OF INDIGENT AND TRAUMA CARE
FISCAL YEAR ~~2009-10~~~~2008-09~~

I. DEFINITIONS

The parties agree to the following terms and definitions, and to those terms and definitions, which for convenience are set forth elsewhere in this Agreement.

A. "CHDP" means Child Health and Disability Prevention Program.

B. "CHIP" means the California Healthcare for Indigents Program.

C. "CHIP CHDP Diagnosis and Treatment Services Account" means those funds separate from CHIP Hospital Formula or CHIP County Discretionary Hospital Funds identified by COUNTY for payment to approved Child Health and Disability Prevention Program providers for outpatient and ancillary services provided to CHIP CHDP eligible clients. Such funds may not be available each Fiscal Year and ADMINISTRATOR shall notify HASC if such dollars become unavailable.

D. "CHIP County Discretionary Hospital Funds" means those CHIP Hospital funds received by COUNTY for distribution to any or all hospitals as determined by ADMINISTRATOR. Such funds may not be available each Fiscal Year and ADMINISTRATOR shall notify HASC if such dollars become unavailable.

E. "CHIP Eligible Person" means a person determined to be unable to pay for health care services and for whom payment for the services will not be made through private coverage or by any program funded in whole or in part by the federal government.

F. "CHIP Hospital Formula Funds" means those CHIP Hospital Formula funds received by COUNTY to be distributed according to the OSHPD formula supplied by the State of California. Such funds may not be available each Fiscal Year and ADMINISTRATOR shall notify HASC if such dollars become unavailable.

G. "Contracting Hospital" or "Hospital" means a hospital that has executed an Agreement for the Provision of Indigent and Trauma Care Services with COUNTY that is the same as this Agreement.

H. "County Emergency Medical Services Trauma Registry" means a standardized data collection instrument that shall include, at a minimum, the data elements outlined in the California Code of Regulations, Title 22, Chapter 7, Article 2, Section 100257.

I. "EMS" or "Emergency Medical Services" means the services utilized in responding to a medical emergency.

J. "EMSF" means the Emergency Medical Services Fund established by COUNTY in accordance with Health and Safety Code Section 1797.98a.

K. "Fiscal Year 2009-10~~2008-09~~" or "FY 2009-10~~2008-09~~" means the period commencing July 1, ~~2009~~~~2008~~ and ending June 30, ~~2010~~~~2009~~.

//

1 L. "Inability to pay" means a financial condition that meets the written standards and policies
 2 established by HOSPITAL for charity care that shall be reported by HOSPITAL in accordance with the
 3 regulations published by the Office of Statewide Health Planning and Development.

4 M. "Local EMS Agency" means the Orange County Health Care Agency's Emergency Medical
 5 Services program.

6 N. "Medically necessary services" means medical services necessary to protect life, to prevent
 7 significant disability or to prevent serious deterioration of health.

8 O. "OSHPD" means the Office of Statewide Health Planning and Development.

9 P. "SB 1773 Funds" means additional revenues from certain fines and penalties received by
 10 COUNTY and deposited into the EMSF ~~—"State EMS Authority" means the State Emergency Medical~~
 11 ~~Services Authority.~~

12 Q. "State EMS Authority" means the State Emergency Medical Services Authority.

13 R-Q. "Tobacco Settlement Revenue Funds" or "TSR Funds" means those Tobacco Settlement
 14 Revenue funds received by COUNTY, pursuant to Measure H, to be distributed to hospitals to offset the
 15 cost of providing charity care.

16 SR. "Trauma Care Fund" means a fund created in the State Treasury, pursuant to Health and Safety
 17 (H&S) Code 1797.199 *et seq.*, to provide monies for allocations to local EMS agencies, for distribution to
 18 Local EMS agency-designated trauma centers.

19 TS. "Trauma Care Fund Allocation (EMSA)" means funds allocated to COUNTY by the State EMS
 20 Authority (EMSA), for distribution to Local EMS Agency-designated trauma centers within the Local
 21 EMS Agency's jurisdiction. Such funds may not be available each Fiscal Year and ADMINISTRATOR
 22 shall notify HASC if such dollars become unavailable.

23 UT. "Trauma Center" means a licensed hospital, accredited by the Joint Commission on Accreditation
 24 of Healthcare Organizations, which has been designated as a Level I or II trauma center by the Local EMS
 25 Agency.

27 **II. HOSPITAL OBLIGATIONS**

28 **A. CALIFORNIA HEALTHCARE FOR INDIGENTS PROGRAM**

- 29 1. As a condition for HOSPITAL to receive CHIP Hospital Formula Funds, HOSPITAL shall:
- 30 a. Maintain for the allocation period of this Agreement at least the same number and
 31 classification of permits and designations as existed on January 1, 1990, in the following program areas:
- 32 1) Emergency Room Licensure Status, and
 33 2) Trauma facility designation.
- 34 b. Provide data as required by the state as set forth in Exhibit B to this Agreement.
- 35 c. Assure that the funds received pursuant to this Agreement be used only for services
 36 provided to CHIP Eligible Persons.
- 37 d. Not require, as specified in Welfare and Institutions Code Sections 16942(a) and

1 16804.1, a fee or charge of any person before rendering medically necessary services.

2 #

3 #

4 e. Provide, at the time treatment is sought, individual notice of the availability of reduced
5 cost health care and display conspicuous posted notices in emergency rooms and patient waiting rooms of
6 the procedures for applying for reduced cost health care.

7 f. Waive any further collection efforts against the patient for costs claimed under this
8 Agreement in accordance with Welfare and Institutions Code, Section 16947, as it exists now, or may
9 hereafter be amended.

10 2. In the event HOSPITAL receives payment from a CHIP Eligible Person or responsible third
11 party payor for a CHIP Eligible Person, HOSPITAL shall report payment as specified in subparagraph
12 II.A.1.b. above of this Exhibit A to the Agreement.

13 3. In the event HOSPITAL does not comply with the provisions of this Agreement or produces
14 insufficient data regarding services rendered to CHIP Eligible Persons, HOSPITAL shall remit to
15 COUNTY, within thirty (30) calendar days of notification, a portion of the funds received through this
16 Agreement which amount shall be determined by COUNTY in accordance with Welfare and Institutions
17 Code, Section 16946, as it exists now or may hereafter be amended.

18 B. TOBACCO SETTLEMENT REVENUE (TSR)

19 1. As a condition for HOSPITAL to receive TSR Funds, HOSPITAL shall maintain basic or
20 comprehensive emergency services. For the purposes of this Agreement, Children's Hospital of Orange
21 County and Children's Hospital at Mission are deemed to meet this requirement as their emergency
22 services are provided through a shared services agreement with St. Joseph Hospital and Mission Hospital,
23 respectively.

24 2. In the event that reporting requirements are established as a condition for COUNTY to
25 receive TSR Funds, HOSPITAL shall work in collaboration with COUNTY to address those reporting
26 requirements. ADMINISTRATOR shall notify HASC of any such requirements.

27 C. EMERGENCY MEDICAL SERVICES FUND - As a condition for HOSPITAL to receive funds
28 from the Emergency Medical Services Fund, HOSPITAL shall:

29 1. Be designated as a trauma center by the Local EMS Agency pursuant to Health and Safety
30 Code, Section 1798.165.

31 2. Submit relevant and pertinent data as requested by the Local EMS Agency that complies with
32 state and local EMS data requirements.

33 3. Long Beach Memorial Medical Center, as a COUNTY designated Orange County trauma
34 center, shall be obligated to only those terms specified in this subparagraph II.C. of Exhibit A to the
35 Agreement.

36 D. TRAUMA CARE FUND (EMSA) - As a condition for HOSPITAL to receive funds from the
37 Trauma Care Fund (EMSA) Allocation, HOSPITAL shall:

- 1 1. Be designated as a trauma center by the Local EMS Agency pursuant to California Health &
- 2 Safety Code, Section 1798.165 and comply with the requirements of the H&S Code section.
- 3 2. Be located within the Local EMS Agency’s geographic boundaries.
- 4 3. Agree to remain a trauma center through June 30 of the fiscal year in which it receives
- 5 funding. If the trauma center ceases to function as a trauma center, HOSPITAL shall pay back to the
- 6 COUNTY a pro rata portion of the funding that has been received.
- 7 4. Submit relevant and pertinent data as requested by the Local EMS Agency that complies with
- 8 state and local data requirements.
- 9 5. Demonstrate that it is appropriately submitting data to the Local EMS Agency’s trauma
- 10 registry.
- 11 6. Report to the Local EMS Agency how the funds were used to support trauma services.

E. SB 1773 FUNDS – As a condition for HOSPITAL to receive SB 1773 funds, HOSPITAL shall:

- 12 1. Be designated as a trauma center by the Local EMS Agency pursuant to California Health &
- 13 Safety Code, Section 1798.165 and comply with the requirements of the H&S Code section.
- 14 2. Be located within the Local EMS Agency’s geographic boundaries.
- 15 3. Agree to remain a trauma center and/or provide contracted pediatric trauma care and/or
- 16 emergency services through June 30 of the fiscal year in which it receives funding. If the trauma center
- 17 ceases to function as a trauma center, HOSPITAL shall pay back to the COUNTY a pro rata portion of the
- 18 funding that has been received.
- 19 4. Submit relevant and pertinent pediatric and/or trauma care services data as requested by the
- 20 Local EMS Agency that complies with state and local data requirements.
- 21 5. Demonstrate that it is appropriately submitting data to the Local EMS Agency’s trauma
- 22 registry.
- 23 6. Report to the Local EMS Agency how the funds were used to support trauma services.

F. Unless otherwise specified herein, in the event of audit exceptions and/or fiscal disallowances by the state and/or COUNTY for funds received by HOSPITAL for services provided in accordance with this Agreement, HOSPITAL shall remit all or part of funds received in accordance with directions provided by ADMINISTRATOR subject to all appeals as permitted by law.

G. HOSPITAL shall sign and return an executed copy of this Agreement to HASC no later than sixty (60) calendar days following receipt of the Agreement from HASC.

III. COUNTY OBLIGATIONS

A. CHIP--PAYMENTS TO HOSPITAL -- For FY 2009-10, the state did not provide CHIP funding for distribution to COUNTY Hospitals.

- 35 ~~1. COUNTY shall administer CHIP funds in accordance with Welfare and Institutions Code, Section 16942, as it exists now or may hereafter be amended.~~
- 36 ~~2. Within ten (10) working days of receipt from the state, but not prior to execution of this~~
- 37

1 ~~Agreement, COUNTY shall distribute to Contracting Hospitals that are current on all data reports, as~~
2 ~~specified in Exhibit B to this Agreement, one hundred percent (100%) of the available CHIP Hospital~~
3 ~~Formula Funds, including any interest earned after receipt by COUNTY, as directed by the state based~~
4 ~~upon the OSHPD distribution as set forth in Exhibit B to this Agreement.~~

5 ~~3. COUNTY shall deposit one hundred percent (100%) of the state allocation of CHIP County~~
6 ~~Discretionary Hospital Funds, less the Administrative Allocation, into the COUNTY'S Medical Services~~
7 ~~Initiative Program (MSI) Hospital Trust Fund Account for distribution to MSI Contracting Hospitals in~~
8 ~~accordance with the MSI Hospital Agreement. The Administrative Allocation shall not exceed \$9,259 or~~
9 ~~ten percent (10%) of the CHIP County Discretionary Hospital Funds, whichever is greater, and shall be~~
10 ~~retained by COUNTY in consideration for actual administrative costs incurred in administering the CHIP~~
11 ~~Hospital Formula and CHIP County Discretionary Hospital Funds as well as payment to Hospital~~
12 ~~Association of Southern California (HASC) and COUNTY'S Fiscal Intermediary respectively, for actual~~
13 ~~administrative costs incurred as specified in subparagraph III.G. to this Exhibit A.~~

14 ~~4. Payments made to HOSPITAL shall not exceed the value of care given as reported by~~
15 ~~HOSPITAL in accordance with Exhibit B to this Agreement.~~

16 ~~5. COUNTY shall add to the final distribution of CHIP Hospital Formula Funds any interest~~
17 ~~earned on these Funds.~~

18 ~~6. COUNTY shall report HOSPITAL data to the state, by June 30th following the year being~~
19 ~~reported, utilizing the Medically Indigent Care Reporting System (MICRS) for all medical services to~~
20 ~~indigent patients. COUNTY shall assist HOSPITAL, through HASC, in identifying any patients selected~~
21 ~~by the state for audit.~~

22 ~~7. CHIP Hospital Formula Funds designated for Contracting Hospitals that do not meet each of~~
23 ~~the conditions of this Agreement for receipt of these funds shall be proportionately redistributed to the~~
24 ~~remaining eligible Contracting Hospitals pursuant to Welfare and Institutions Code, Section 16946.~~

25 ~~8. COUNTY shall distribute any unused CHIP CHDP Diagnosis and Treatment Services~~
26 ~~Account funds to Contracting Hospitals that qualify for receipt of CHIP County Discretionary Hospital~~
27 ~~Funds. The funds shall be distributed in proportion to inpatient services provided to CHDP patients, not~~
28 ~~to exceed billed charges and not reimbursed by other CHIP CHDP sources.~~

29 ~~9. COUNTY shall not distribute CHIP Hospital Formula Funds, CHIP County Discretionary~~
30 ~~Hospital Funds, or any other CHIP Funds to Long Beach Memorial Medical Center.~~

31 **B. TSR FUND--PAYMENTS TO HOSPITAL**

32 1. COUNTY shall distribute TSR Funds, to partially offset the costs of providing charity care, to
33 qualifying Contracting Hospitals within Orange County that maintain basic or comprehensive emergency
34 services or trauma centers. Payment of TSR Funds shall not exceed TSR Funds received and designated
35 by COUNTY for Contracting Hospitals.

36 //

37 2. Within thirty (30) calendar days of receipt from the state or upon receipt of HOSPITAL'S

1 | executed copy of this Agreement, whichever is later, COUNTY shall distribute FY ~~2009-10~~~~2008-09~~ TSR
 2 | Funds to HOSPITAL proportionate to HOSPITAL'S Orange County Charity Care-Other plus Bad Debts,
 3 | as reported to the California Office of Statewide Health Planning and Development (OSHPD) by
 4 | HOSPITAL, to the total Charity Care-Other and Bad Debts reported by all eligible Orange County
 5 | Contracting Hospitals. COUNTY shall use the latest official OSHPD data readily available to the public.

6 | 3. Payments made to HOSPITAL shall not exceed the value of care given as reported by
 7 | Hospitals to OSHPD.

8 | 4. At the sole discretion of, and in accordance with the calculations made by
 9 | ADMINISTRATOR, TSR Funds to HOSPITAL shall be adjusted to reflect additions to or deletions from
 10 | the list of Contracting Hospitals, as specified in Exhibit C to this Agreement.

11 | 5. Upon written notification from HASC to ADMINISTRATOR regarding the acquisition of
 12 | one or more Contracting Hospitals by another Contracting Hospital, ADMINISTRATOR may adjust TSR
 13 | Funds to HOSPITAL to reflect said acquisition.

14 | 6. COUNTY shall not distribute TSR Funds to Long Beach Memorial Medical Center.

15 | C. EMSF--PAYMENTS TO TRAUMA CENTERS

16 | 1. Payments shall be limited to and made from the hospital portion of the EMSF, after payment
 17 | of administrative costs permitted by law.

18 | 2. COUNTY shall pay one hundred twenty-five thousand dollars (\$125,000) to each Orange
 19 | County-designated trauma center that is a FY ~~2009-10~~~~2008-09~~ Medical Services Initiative Program
 20 | contracting hospital.

21 | 3. The balance of the FY ~~2009-10~~~~2008-09~~ EMSF, if any, shall be paid by COUNTY to each
 22 | trauma center based upon the ratio of services provided by each trauma center to total services provided
 23 | by all trauma centers during FY ~~2009-10~~~~2008-09~~, as reported to the County Emergency Medical Services
 24 | Trauma Registry.

25 | a. If HOSPITAL is located within the borders of Orange County, HOSPITAL shall also be
 26 | required to be a FY ~~2009-10~~~~2008-09~~ Medical Services Initiative Program contracting hospital to receive
 27 | these funds.

28 | b. ADMINISTRATOR shall determine the ratio of services provided by each trauma center,
 29 | and approve the amount and timing of payments due for services provided during FY 2009-10.

30 | b. ADMINISTRATOR shall determine the ratio of services provided by each trauma center,
 31 | and approve the amount and timing of payments due for services provided during FY ~~2008-09~~.

32 | 4. COUNTY shall add to the final distribution of EMSF any interest earned on these Funds.

33 | D. TRAUMA CARE FUND ALLOCATION (EMSA) -- For FY ~~2009-10~~~~2008-09~~, the state EMSA
 34 | did not provide funding for the Trauma Care Fund Allocation.

35 | E. SB 1773--PAYMENTS TO TRAUMA CENTERS

36 | 1. Payments shall be limited to and made from the pediatric trauma center and hospital portions
 37 | of the SB 1773 funds, after payment of administrative costs as permitted by law.

//

2. The initial 15% of all SB 1773 funds collected shall be paid by COUNTY to Orange County Trauma Centers, including Long Beach Memorial Hospital, based upon the ratio of pediatric trauma runs for Orange County residents provided by each trauma center to total pediatric trauma runs provided by all trauma centers during FY 2009-10~~2008-09~~, as reported to the County Emergency Medical Services Trauma Registry.

3. The hospital allocation of FY 2009-10~~2008-09~~ SB 1773 funds, shall be paid by COUNTY to each trauma center based upon the ratio of adult trauma runs for Orange County residents provided by each trauma center to total adult trauma runs provided by all trauma centers during FY 2009-10~~2008-09~~, as reported to the County Emergency Medical Services Trauma Registry.

a. If HOSPITAL is located within the borders of Orange County, HOSPITAL shall also be required to be a FY 2009-10~~2008-09~~ Medical Services Initiative Program contracting hospital to receive these funds.

~~b. ADMINISTRATOR shall determine the ratio of services provided by each trauma center, and approve the amount and timing of payments due for services provided during FY 2008-09.~~

~~b. ADMINISTRATOR shall determine the ratio of services provided by each trauma center, and approve the amount and timing of payments due for services provided during FY 2009-10.~~

3. COUNTY shall add to the final distribution of SB 1773 funds any interest earned on said funds.

F. COUNTY may withhold any or all of the funds specified in Paragraphs III.A. through III.E. above, consistent with the regulations pertaining to the specific funding source, in order to recover any overpayments made of said funds to HOSPITAL in previous agreements or to recover funds due COUNTY from HOSPITAL pursuant, but not limited to, the following; provided, however, that any funds withheld shall be redistributed to Contracting Hospitals by COUNTY consistent with the regulations pertaining to the specific funding source:

- 1. HOSPITAL'S failure to comply with the provisions of this Agreement.
- 2. HOSPITAL produces insufficient data regarding services rendered to CHIP Eligible Persons.
- 3. HOSPITAL receives payment from a CHIP Eligible Person or responsible third-party payor for a CHIP Eligible Person.
- 4. HOSPITAL is found to be non-compliant with the conditions for receiving funds including, but not limited to, inability to document eligible expenditures.
- 5. Audit exceptions and/or fiscal disallowances by the State and/or COUNTY for funds received by HOSPITAL for services provided in accordance with this Agreement.
- 6. Recovery of any overpayments made in previous agreements between HOSPITAL and COUNTY for Indigent and Trauma Care Services.

G. COUNTY, at its sole discretion, shall disburse to HASC and COUNTY'S Fiscal Intermediary, within thirty (30) calendar days after receipt of an appropriate invoice, but not prior to execution of this

1 Agreement, an amount not to exceed their actual administrative costs up to a maximum amount, as
 2 permitted by law, ~~of \$9,259~~ less that portion retained by COUNTY for its administrative fees, for staff
 3 services performed for Contracting Hospitals in support of this Agreement. Any payment to COUNTY'S
 4 Fiscal Intermediary shall be made after payment to HASC for its administrative fees for staff services
 5 performed for Contracting Hospitals in support of this Agreement. Said payment to HASC and
 6 COUNTY'S Fiscal Intermediary shall be deducted from the Administrative Allocation retained by
 7 COUNTY from the funding sources as specified herein and as permitted by law ~~CHIP-County~~
 8 ~~Discretionary Hospital Funds~~ for administrative costs as specified in subparagraph III.A.3 of this Exhibit
 9 A to this Agreement. Such support includes, but is not limited to:

- 10 1. Distribution of this Agreement to Contracting Hospitals for signature and return of signed
 11 Agreements to ADMINISTRATOR within ninety (90) calendar days of the execution of this Agreement.
- 12 2. Review of quarterly data submitted by Contracting Hospitals to HASC in accordance with
 13 Exhibit B to this Agreement. HASC shall use its best efforts to verify the accuracy of said hospital data
 14 prior to submission to COUNTY'S Fiscal Intermediary. The Fiscal Intermediary is the organization,
 15 under a separate agreement with COUNTY, contracted to, among other duties, coordinate this data and
 16 create the annual MICRS report.

17 **IV. NEW PARTICIPANTS**

18 It is understood by the parties that hospitals that are not currently participating in this Agreement may
 19 do so after meeting the terms of this Agreement. A hospital shall notify COUNTY, through HASC, in
 20 writing of its desire to participate, and the hospital may enter into an Agreement that is identical to this
 21 Agreement. Exhibits B and C to this Agreement shall be amended and shall be in effect upon execution of
 22 the Agreement with the new participant.
 23

24 **V. RECORDS**

25 A. HOSPITAL shall maintain records that are adequate to substantiate the services for which claims
 26 are submitted for reimbursement under this Agreement and the charges thereto. Such records shall
 27 include, but not be limited to, individual patient charts and utilization review records.
 28

29 **B. RECORDS RETENTION**

30 1. All records connected with the performance of this Agreement shall be retained by the
 31 parties, at a location in the County of Orange, for a period of seven (7) years after final payment under this
 32 Agreement.
 33

34 2. Records which relate to litigation or settlement of claims arising out of the performance of
 35 this Agreement, or costs and expenses of this Agreement as to which exception has been taken by
 36 COUNTY or state or federal governments, shall be retained by HOSPITAL until disposition of such
 37 appeals, litigation, claims or exceptions is completed.

//

EXHIBIT B
TO AGREEMENT FOR THE PROVISION OF INDIGENT AND TRAUMA CARE

~~CALIFORNIA HEALTHCARE FOR INDIGENTS PROGRAM (CHIP)~~
~~FISCAL YEAR 2008-09~~

~~I. HOSPITAL DATA REPORTING~~

~~A. HOSPITAL shall provide quarterly data and reports on each CHIP Eligible Person for whom services are reimbursed pursuant to this Agreement for the period July 1, 2008, through June 30, 2009,; excluding Medical Services for Indigents patients, as required by COUNTY and the State of California pursuant to Welfare and Institutions Code, Section 16915 et seq., as it exists now or may hereafter be amended. Data shall be reported through the Medically Indigent Care Reporting System (MICRS) and shall include at least the following patient specific information:~~

- ~~1. Transaction Identifier~~
- ~~2. Patient's Last Name~~
- ~~3. Patient's First Initial~~
- ~~4. Date of Birth~~
- ~~5. Social Security Number~~
- ~~6. Sex~~
- ~~7. Ethnicity~~
- ~~8. Family Size~~
- ~~9. Monthly Income~~
- ~~10. Primary Income Source~~
- ~~11. Type of Employment~~
- ~~12. Patient Zip Code~~
- ~~13. ELA Status~~
- ~~14. Provider Number~~
- ~~15. Date of Service/Admission~~
- ~~16. Date of Discharge~~
- ~~17. Primary Discharge Diagnosis~~
- ~~18. Procedure(s) Performed~~
- ~~19. Type of Service~~
- ~~20. Type of ER Service~~
- ~~21. Amount Paid~~
- ~~22. Payment Source~~
- ~~23. Provider Zip Code~~

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- ~~24. CHDP Treatment Follow-up~~
- ~~B. COUNTY shall provide HOSPITAL with coding manuals for the variables identified above. This information shall be in a form and according to procedures specified by COUNTY and the California Department of Health Care Services.~~
- ~~C. COUNTY shall make its best efforts to design data form specifications to meet state requirements in an efficient and economic manner.~~
- ~~D. HOSPITAL shall submit quarterly data to HASC as follows; provided, however, said data may be submitted after execution of this Agreement:~~

<u>Report Period</u>	<u>Due Date</u>
July 1, 2008 – September 30, 2008	November 3, 2008
October 1, 2008 – December 31, 2008	February 2, 2009
January 1, 2009 – March 31, 2009	May 1, 2009
April 1, 2009 – June 30, 2009	August 3, 2009

- ~~E. HOSPITAL and HASC shall review FY 2008-09 quarterly data submissions and HOSPITAL shall submit any modifications and/or adjustments no later than February 1, 2010.~~

H. DISTRIBUTION OF CHIP HOSPITAL FUNDS

~~A. This Paragraph II of Exhibit B may be amended by ADMINISTRATOR if any of the following should occur: deletion of a Contracting Hospital participant in this Agreement, addition of a new participant in this Agreement, any change in HOSPITAL eligibility for funding, or any change in CHIP funds received by COUNTY. In response to any of these circumstances, ADMINISTRATOR shall prepare an adjusted Paragraph II of this Exhibit B and HOSPITAL agrees that said amended Paragraph II of Exhibit B shall be provided to HASC for distribution to all Contracting Hospitals.~~

~~1. The following hospitals are contracting hospitals with COUNTY for the Medical Services~~

~~Initiative (MSI) Program:~~

~~—CHIP Hospital~~

~~—Hospital Formula Funds~~

- ~~—Anaheim General Hospital — \$636~~
- ~~—Anaheim Memorial Medical Center — 3,584~~
- ~~Anaheim Regional Medical Center — 2,596~~
- ~~Chapman Medical Center — 544~~
- ~~Coastal Communities Hospital — 1,404~~
- ~~—Fountain Valley Regional Hospital & MC-Euclid — 5,383~~
- ~~—Garden Grove Hospital & Medical Center — 1,550~~
- ~~Hoag Memorial Hospital Presbyterian — 8,744~~
- ~~—Huntington Beach Hospital — 2,596~~
- ~~—La Palma Interecommunity Hospital — 462~~

~~Los Alamitos Medical Center 798~~
~~Mission Hospital Regional Medical Center 8,279~~
~~Orange Coast Memorial Medical Center 1,044~~
~~Placentia-Linda Community Hospital 677~~
~~Saddleback Memorial Medical Center 1,780~~
~~South Coast Medical Center 206~~
~~St. Joseph Hospital-Orange 7,428~~
~~St. Jude Medical Center 4,988~~
~~University of California Irvine Med Ctr 29,080~~
~~Western Medical Center-Anaheim 2,996~~
~~Western Medical Center-Santa Ana 5,346~~

~~2. The following hospitals either had a change in permits or designations on or after 1/1/90 or have been closed. If the state has allocated CHIP Hospital Formula Funds to any of these hospitals, ADMINISTRATOR shall communicate with the state regarding the hospital's status and shall obtain direction as to final distribution of funding. It is understood that these hospitals need not be a party to this Agreement:~~

~~College Hospital Costa Mesa 0~~
~~Irvine Medical Center 734~~
~~Tustin Hospital Medical Center 914~~

~~3. The following hospitals do not contract with COUNTY for the Medical Services for Indigents (MSI) Program:~~

~~Children's Hospital at Mission 200~~
~~Children's Hospital of Orange County 629~~

~~4. The following hospitals have been identified by the state as not receiving CHIP Hospital Formula Funds, and will not be receiving any other funds through this Agreement. It is understood that these hospitals need not be parties to this Agreement:~~

~~Healthbridge Children's Rehab. Hosp. 0~~
~~Kindred Hospital Brea 0~~
~~Kindred Hospital Westminster 0~~
~~Tustin Rehabilitation Hospital 0~~

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~~————— TOTAL CHIP FORMULA ALLOCATION ——— \$92,598~~

~~————— 5. CHIP County Discretionary Hospital Funds, in the amount of \$92,598, unless otherwise modified by the State, shall at ADMINISTRATOR’S sole discretion, be distributed as follows:~~

~~————— a. \$83,339 deposited into COUNTY’S MSI Hospital Trust Fund or paid directly to COUNTY’S Fiscal Intermediary for distribution to MSI Contracting Hospitals in accordance with the MSI Hospital Agreement as specified in Paragraph III.A.3. of Exhibit A to this Agreement.~~

~~————— b. \$9,259 retained by COUNTY for the Administrative Allocation, which shall be paid to HASC and COUNTY’S Fiscal Intermediary, less the portion retained by COUNTY for its administrative fees, in accordance with Paragraph III.G of Exhibit A to this Agreement.~~

~~————— 1) Reimbursement of actual costs for staff services provided in support of this Agreement and/or the administration of CHIP funding shall be paid to the COUNTY, HASC, and AMM respectively, to the extent of available funding. Should actual costs be less than the amount allocated, the difference between the actual costs and the allocation shall be deposited into the COUNTY’S Medical Services Initiative (MSI) Hospital Trust Fund Account or paid directly to COUNTY’S Fiscal Intermediary for distribution to MSI Contracting Hospitals in accordance with the MSI Hospital Agreement as specified in Paragraph III.A.3. of Exhibit A to this Agreement.~~

~~————— 6. Payment to HOSPITAL shall be conditional on receipt of executed contract and data reporting as specified in this Exhibit B to the Agreement.~~

~~————— 7. The parties agree that rounding corrections may be made by ADMINISTRATOR prior to distribution of funds.~~

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EXHIBIT C**TO AGREEMENT FOR THE PROVISION OF INDIGENT AND TRAUMA CARE****FISCAL YEAR 2008-09****I. DISTRIBUTION OF TOBACCO SETTLEMENT REVENUE FUNDS**

A. This Exhibit **BE** may be amended under the following circumstances: deletion of a Contracting Hospital participant in this Agreement, addition of a new participant in this Agreement, any change in corporate ownership of a Contracting Hospital, any request of any Contracting Hospital's corporate ownership to reallocate funding among its Contracting Hospitals; any change in HOSPITAL eligibility for funding, any change in Tobacco Settlement Revenue funds received by COUNTY or any change in a Contracting Hospital's percent of Charity Care/Other and Bad Debts reported to the Office of Statewide Health Planning and Development. In response to any of these circumstances listed herein, ADMINISTRATOR shall prepare an amended Exhibit **BE** and HOSPITAL agrees that said amended Exhibit **BE** shall be provided to HASC for distribution to all Contracting Hospitals.

<u>Hospitals by Corporate Ownership</u>	<u>Charity Care Plus Bad Debt</u>	<u>Percent of Total</u>	<u>Initial TSR Allocation</u>	<u>Revised TSR Allocation</u>
<u>Anaheim General Hospital</u> Adventist Health Systems/West	\$9,898,514	1.65%	\$30,423	\$30,423
<u>AHMC</u> AHMC Anaheim Regional Medical Center, L.P.	\$30,416,693	5.07%	\$93,485	\$93,485 13,010
<u>Children's Hospital</u>				
Children's Hospital at Mission	\$4,197,532 5,678,975	0.70% 1.03%	\$12,901 19,537	\$472 1,795
Children's Hospital of Orange County	\$28,492,680 24,782,536	4.75% 48%	\$87,571 85,258	\$100 103,000
Subtotal Children's Hospital:	\$32,690,21230,461,511	5.45%51%	\$100,472104,795	\$100,472104,795
<u>Hoag</u> Hoag Memorial Hospital Presbyterian	\$52,223,529 44,733,088	8.70% 09%	\$160,507 153,893	\$160,507 153,893
<u>Integrated Health Holding, Inc. (IHHI)</u>				
Chapman Medical Center	\$4,657,159 6,835,021	0.78% 1.24%	\$14,314 23,514	\$14,000 2,636
Coastal Communities Hospital	\$13,000,157 12,693,552	2.17% 30%	\$39,956 43,669	\$40 43,000
Western Medical Center - Anaheim	\$11,702,770 9,851,883	1.95% 78%	\$35,968 33,893	\$36 33,000

Attachment I. Redline Version to Attachment A

1	Western Medical Center - Santa Ana	\$41,330,641	48,414,994	6.89%	8.76%	\$127,028	166,560	\$127,266	189,000
2	Subtotal IHHI:	\$70,690,727	77,795,450	11.78%	14.08%	\$217,266	267,636	\$217,266	267,636
3	#								
4			Charity Care		Percent		Initial		Revised
5			Plus		of		TSR		TSR
6			Bad Debt		Total		Allocation		Allocation
6	Memorial Health Systems								
7	Anaheim Memorial Medical Center		31,788,829		5.75%		109,362		109,362
8	Orange Coast Memorial Medical Center	\$9,882,664	13,286,395	1.65%	2.40%	\$30,374	45,709	\$30,374	45,709
9	Saddleback Memorial Medical Center	\$31,846,678	21,508,763	5.31%	3.89%	\$97,880	73,996	\$97,880	73,996
10	Subtotal Memorial:	\$41,729,342	66,583,988	6.96%	12.04%	\$128,254	229,067	\$128,254	229,067
11									
12	Pacific Health								
13	Anaheim General Hospital		25,941,020		4.69%		89,244		89,244
14									
15	Prime Healthcare								
16	West Anaheim Regional Medical Center	\$28,359,462	27,064,683	4.73%	9.0%	\$87,162	93,110	\$1,737	116
17	Garden Grove Hospital and Medical Center	\$30,806,357	10,722,784	5.13%	1.94%	\$94,682	36,889	\$275	240,000
18	Huntington Beach Hospital and Medical Ctr	\$20,843,673	22,316,642	3.47%	4.04%	\$64,062	75,775	\$1,500	920
19	La Palma Intercommunity Hospital	\$10,682,171	373,929	1.78%	8.8%	\$32,831	35,689	\$500	427
20	Subtotal Prime Healthcare:	\$90,691,663	70,478,038	15.12%	7.6%	\$278,737	242,463	\$278,737	242,463
21									
22	St. Joseph Health System								
23	Mission Hospital Regional Medical Center	\$49,806,618	33,426,385	8.30%	6.05%	\$153,079	114,995	\$153,079	114,995
24	St. Joseph Hospital - Orange	\$63,658,610	52,135,824	10.61%	9.43%	\$195,652	179,361	\$195,652	179,361
25	St. Jude Medical Center	\$39,654,402	33,849,966	6.61%	1.2%	\$121,876	116,453	\$121,876	116,453
26									
27	Subtotal St. Joseph:	\$153,119,630	412,175	25.52%	21.60%	\$470,607	410,809	\$470,607	410,809
28									
29	Tenet								
30	Fountain Valley Reg. Hosp. & Medical Center	\$16,407,257	7,335,204	2.73%	1.33%	\$50,427	25,235	\$50,427	25,235
31	Los Alamitos Medical Center	\$13,095,343	8,301,912	2.18%	1.50%	\$40,248	28,561	\$40,248	28,561
32	Placentia-Linda Community Hospital	\$6,762,309	3,943,485	1.13%	0.71%	\$20,784	13,567	\$20,784	13,567
33	Subtotal Tenet:	\$36,264,909	12,580,601	6.04%	3.54%	\$111,459	67,363	\$111,459	67,363
34									
35	University of California								
36	University of California Irvine Med Center	\$82,227,098	94,014,226	13.71%	17.01%	\$252,722	323,433	\$252,722	323,433
37									

			\$1,843,932 901,71	
1 TOTAL ALL HOSPITALS	\$599,952,317 \$545,781,696	100.00%	3	\$1,843,932 901,713

2 //

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4 #

5 B. The parties agree that information pertaining to Charity Care/Other and Bad Debts was
 6 obtained from the Office of Statewide Health Planning and Development (OSHPD), Last Four Quarters
 7 Ending September 30, 2009~~2008~~.

8 C. The parties agree that the amount of Tobacco Settlement Revenue is estimated and based on
 9 the budget approved by Orange County Board of Supervisors on June 09, 2009~~24, 2008~~.

10 D. The parties agree that rounding corrections may be made by ADMINISTRATOR prior to
 11 distribution of funds.

12 E. The parties agree that corporate ownership of Contracting Hospitals may request the initial
 13 allocation of TSR Funding of any of its Contracting Hospitals to be reallocated to any or all of the
 14 corporate ownership's other Contracting Hospitals. Any such requests shall be reflected in the Revised
 15 TSR Allocation column in Paragraph A above.

16 F. The following Contracting Hospitals have agreed that all or a portion of their Revised TSR
 17 Allocations as specified~~reflected~~ in Paragraph A above shall be sent to the California Department of
 18 Health Care Services (CDHCS) through a separate agreement with COUNTY and that said TSR
 19 Allocation shall not be paid to these Contracting Hospitals through this Agreement. These Contracting
 20 Hospitals shall be exempt from Paragraph II.F of Exhibit A to this Agreement for their revised TSR
 21 Allocations.

- 22 1. Chapman Medical Center
- 23 2. Children's Hospital of Orange County
- 24 ~~3~~ 3. Coastal Communities Hospital
- 25 4. Fountain Valley Regional Hospital
- 26 ~~3~~ 5. Garden Grove Medical Center
- 27 ~~6~~ 6. Western Medical Center – Anaheim
- 28 7. ~~5~~ Western Medical Center – Santa Ana

29
 30 G. County may have the ability to use HOSPITALS' TSR Funding, specified in Paragraph A of
 31 this Exhibit B, as match to receive additional federal dollars through the COUNTY'S Medical Services
 32 Initiative (MSI) Program. The parties agree that HASC shall act as representative of all Contracting
 33 Hospitals for the purpose of consenting to COUNTY'S use of the TSR Funding specified herein.
 34 COUNTY shall not use the TSR Funding as match without the written consent of HASC.

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36 #

37 #