

AGREEMENT FOR ~~THE~~ PROVISION OF
INDIGENT AND TRAUMA CARE
BETWEEN
COUNTY OF ORANGE
AND

~~«UC_NAME» «UC_DBA»~~

~~<<HOSPITAL NAME>>~~

JULY 1, ~~2014~~2016 THROUGH JUNE 30, ~~2016~~2020

THIS AGREEMENT (Agreement), entered into this 1st day of July, ~~2014~~2016, which date is enumerated for purposes of reference only, is by and between the ~~County of Orange~~COUNTY OF ORANGE (COUNTY) and ~~«UC_NAME» «UC_DBA», a California «CORP_STATUS»~~ (~~HOSPITAL~~<<Hospital Name>> (CONTRACTOR)). This Agreement shall be administered by the County of Orange Health Care Agency (ADMINISTRATOR).

W I T N E S S E T H:

WHEREAS, COUNTY, as provided herein, desires to reimburse hospitals which are disproportionate providers of trauma services, including pediatric trauma, and promote access to trauma care, pursuant to Health and Safety Code, Division 2.5, Section 1797.98a et seq. and Section 1797.198 et seq.; and

WHEREAS, COUNTY, as provided herein, wishes to disburse tobacco settlement revenue to hospitals pursuant to County Codified Ordinance, Article 14, Division 4, Section 1-4-250; ~~et. seq.~~; and

WHEREAS, ~~HOSPITAL~~CONTRACTOR, a general acute care facility, licensed in accordance with the requirements of the California Health Facilities Licensure Act (Health and Safety Code, Sections 1250 et seq.) and the regulations promulgated pursuant thereto, is equipped, staffed and prepared to provide medical services; and

WHEREAS, ~~HOSPITAL~~CONTRACTOR is willing to provide, for and in consideration of the payments provided for under this Agreement and upon the conditions hereinafter set forth, medical services to persons covered by this Agreement; and

WHEREAS, the parties desire to provide a full statement of their respective rights and responsibilities in connection with the provision of or arrangement for medical services to persons covered by this Agreement.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

//

//

//

CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
Title Page.....	1
Contents.....	2
Referenced Contract Provisions	43
I. Acronyms	5
II. Alteration of Terms	6
III. Assignment of Debts	6
IV. Compliance	6
V. Confidentiality.....	9
VI. Delegation, Assignment and Subcontracts.....	10
VII. Employee Eligibility Verification	11
VIII. Facilities, Payments and Services.....	11
IX. Indemnification and Insurance	11
X. Inspections and Audits.....	15
XI.III. Licenses and Laws	6
XII. Literature, Advertisements, and Social Media.....	17
XIII. Nondiscrimination.....	18
XIV.IV. Notices.....	17
XV. Records Management and Maintenance	21
XVI. Research and Publication.....	22
XVII. Right to Work and Minimum Wage Laws.....	22
XVIII.V. Severability.....	20
XIX.VI. Status of Contractor Parties	23
XX.VII. Term	24
XXI.VIII. Termination	24
XXII.IX. Third Party Beneficiary	27
XXIII.X. Waiver of Default or Breach.....	28
Signature Page.....	29
#	
#	
#	
#	
#	
#	
#	
#	
#	
#	

CONTENTS**EXHIBIT A****PAGE**

I. Definitions	1
II. Hospital <u>Contractor</u> Obligations	2
III. County Obligations	3
IV. New Participants	6

EXHIBIT B**PAGE**

I. Distribution <u>Allocation</u> of Tobacco Settlement Revenue Funds.....	1
II. Optional Alternatives for Distribution of TSR Funds – Non-DSH Hospitals	
46	
II. III. Distribution of TSR Funds – DSH Hospitals.....	6

#

#

#

#

#

#

#

#

#

#

#

#

#

#

#

#

#

#

//

//

//

//

//

//

//

REFERENCED CONTRACT PROVISIONS

Term: July 1, 2014 through June 30, 2016

Period One means the period from July 1, 2014 through June 30, 2015

Period Two means the period from July 1, 2015 through June 30, 2016

Period Three means the period from **Master Allocation Period:** July 1, 2014 through June 30, 2015

Period Four means the period from July 1, 2015 through June 30, 2016

Master Allocation Period: ~~HOSPITAL Allocation Period:~~

July 1, 2014 through June 30, 2015

July 1, 2015 through June 30, 2016

July 1, 2018 through June 30, 2019

July 1, 2019 through June 30, 2020

CONTRACTOR Allocation Period:

July 1, 2016 through June 30, 2017

July 1, 2017 through June 30, 2018

July 1, 2018 through June 30, 2019

July 1, 2019 through June 30, 2020

Notices to COUNTY and ~~HOSPITAL~~ CONTRACTOR:

COUNTY: County of Orange

Health Care Agency

Contract ~~Development and Management~~ Services

405 W. West 5th Street, Suite 600

Santa Ana, CA 92701-4637

CONTRACTOR: «LC_NAME» <<Hospital Name>>

«ADDRESS»

«CITY_STATE_ZIP»

«CONTACT»

<<Address>>

<<City, State Zip>>

<<Contact Name>>

<<Contact Email>>

I. ACRONYMS

The following standard definitions are for reference purposes only and may or may not apply in their entirety throughout this Agreement:

A.	<u>ACH</u>	<u>Acute Care Hospital</u>
B.	ARRA	— American Recovery and Reinvestment Act
C.	B. ASRS	— Alcohol and Drug Programs Reporting System
D.	<u>BH</u>	<u>Base Hospital</u>
E.	C. CCC	— California Civil Code
F.	D. CCR	— California Code of Regulations
G.	<u>CERC</u>	<u>Children's Emergency Receiving Center</u>
H.	E. CEO	— County Executive Office
I.	F. CFR	— Code of Federal Regulations
J.	G. CHPP	— COUNTY HIPAA Policies and Procedures
K.	H. CHS	— Correctional Health Services
L.	I. COI	— Certificate of Insurance
M.	<u>DMC</u>	J. D/MC Drug/Medi-Cal
N.	K. DHCS	— Department of Health Care Services
O.	L. DPFS	— Drug Program Fiscal Systems
P.	M. DRS	— Designated Record Set
Q.	N. ePHI	— Electronic Protected Health Information
R.	<u>ERC</u>	<u>Emergency Receiving Center</u>
S.	O. GAAP	— Generally Accepted Accounting Principles
T.	P. HCA	— Health Care Agency
U.	Q. HHS	— Health and Human Services
V.	R. HIPAA	— Health Insurance Portability and Accountability Act of 1996, Public Law 104-191
W.	<u>HITECH Act</u>	<u>The Health Information Technology for Economic and Clinical Health Act, Public Law 111-005</u>
X.	S. HSC	— California Health and Safety Code
Y.	T. ISO	— Insurance Services Office
Z.	U. MHP	— Mental Health Plan
AA.	V. OCJS	— Orange County Jail System
AB.	W. OCPD	— Orange County Probation Department
AC.	X. OCR	— Office for of Civil Rights
AD.	Y. OCSD	— Orange County Sheriff's Department
AE.	<u>OCEMS</u>	<u>Orange County Emergency Medical Services</u>
AF.	<u>OC-MEDS</u>	<u>Orange County Medical Emergency Data System</u>

11	AG.	Z.	OIG	Office of Inspector General
22	AH.	AA.	OMB	Office of Management and Budget
33	AI.	AB.	OPM	Federal Office of Personnel Management
44	AJ.	AC.	PA DSS	Payment Application Data Security Standard
55	AK.	AD.	PC	State of California Penal Code
66	AL.	AE.	PCI DSS	Payment Card Industry Data Security Standard
77	AM.	AF.	PHI	Protected Health Information
88	AN.	AG.	PII	Personally Identifiable Information
99	AO.	AH.	PRA	Public Record <u>Records</u> Act
100	AP.	AI.	SIR	Self-Insured Retention
111	AQ.	AJ.	The HITECH Act <u>The Health Information Technology for Economic and Clinical Health Act, Public Law 111-005</u>	
122			AK.	USC United States Code
133	AR.	W&IC	AL.	WIC <u>State of</u> California Welfare and Institutions Code

II. ALTERATION OF TERMS

A. This Agreement, ~~together with Exhibits A and B attached hereto and incorporated herein,~~ fully expresses ~~the complete~~ all understanding of COUNTY and ~~HOSPITAL~~ CONTRACTOR with respect to the subject matter of this Agreement.

~~B. Unless otherwise expressly stated in this Agreement, no~~ and shall constitute the total Agreement between the parties for these purposes. No addition to, or alteration of, the terms of this Agreement ~~or any Exhibits~~, whether written or verbal, ~~made by the parties, their officers, employees or agents~~ shall be valid unless made in ~~the form of a written amendment to this Agreement, which has been~~ writing and formally approved and executed by both parties.

III. ASSIGNMENT OF DEBTS

~~Unless this Agreement is followed without interruption by another Agreement between the parties hereto for the same services and substantially the same scope, at the termination of this Agreement, HOSPITAL shall assign to COUNTY any debts owing to HOSPITAL by or on behalf of persons receiving services pursuant to this Agreement. HOSPITAL shall immediately notify by mail each of these persons, specifying the date of assignment, the County of Orange as assignee, and the address to which payments are to be sent. Payments received by HOSPITAL from or on behalf of said persons, shall be immediately given to COUNTY.~~

IV. COMPLIANCE

III. LICENSES AND LAWS

A. CONTRACTOR A. ~~ADMINISTRATOR~~ 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. ADMINISTRATOR shall provide HOSPITAL with a copy of the relevant HCA policies and procedures relating to HCA's Compliance Program, HCA's Code of Conduct and General Compliance Trainings.~~

~~2. HOSPITAL has the option to adhere to HCA's Compliance Program and Code of Conduct or establish its own, provided HOSPITAL's Compliance Program and Code of Conduct have been verified to include all required elements by ADMINISTRATOR's Compliance Officer as described in subparagraphs below.~~

~~3. If HOSPITAL elects to adhere to HCA's Compliance Program and Code of Conduct, the HOSPITAL shall submit to the ADMINISTRATOR within thirty (30) calendar days of award of this Agreement a signed acknowledgement that HOSPITAL shall comply with HCA's Compliance Program and Code of Conduct.~~

~~4. If HOSPITAL elects to have its own Compliance Program and Code of Conduct then it shall submit a copy of its Compliance Program, Code of Conduct and relevant policies and procedures to ADMINISTRATOR within thirty (30) calendar days of award of this Agreement. ADMINISTRATOR's Compliance Officer shall determine if HOSPITAL Compliance Program and Code of Conduct contains all required elements. HOSPITAL shall take necessary action to meet said standards or shall be asked to acknowledge and agree to the HCA's Compliance Program and Code of Conduct if the HOSPITAL's Compliance Program and Code of Conduct does not contain all required elements.~~

~~5. Upon written confirmation from ADMINISTRATOR's Compliance Officer that the HOSPITAL Compliance Program and Code of Conduct contains all required elements, HOSPITAL shall ensure that all Covered Individuals relative to this Agreement are made aware of HOSPITAL's Compliance Program, Code of Conduct and related policies and procedures.~~

~~6. Failure of HOSPITAL to submit its Compliance Program, Code of Conduct and relevant policies and procedures shall constitute a material breach of this Agreement. Failure to cure such breach within sixty (60) calendar days of such notice from ADMINISTRATOR shall constitute grounds for termination of this Agreement as to the non-complying party.~~

~~B. SANCTION SCREENING—HOSPITAL shall adhere to all screening policies and procedures and screen all Covered Individuals employed or retained to provide services related to this Agreement to ensure that they are not designated as Ineligible Persons, as pursuant to this Agreement. Screening shall be conducted against the General Services Administration's Excluded Parties List System or System for Award Management, the Health and Human Services/Office of Inspector General List of Excluded Individuals/Entities, and the California Medi-Cal Suspended and Ineligible Provider List and/or any other as identified by the ADMINISTRATOR.~~

~~1. Covered Individuals includes all contractors, subcontractors, agents, and other persons who provide health care items or services or who perform billing or coding functions on behalf of CONTRACTOR. Notwithstanding the above, this term does not include part-time or per-diem employees, contractors, subcontractors, agents, and other persons who are not reasonably expected to work more than~~

~~one hundred sixty (160) hours per year; except that any such individuals shall become Covered Individuals at the point when they work more than one hundred sixty (160) hours during the calendar year. CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of ADMINISTRATOR's Compliance Program, Code of Conduct and related policies and procedures, or CONTRACTOR's Compliance Program and Code of Conduct related policies and procedures.~~

~~2. An Ineligible Person shall be any individual or entity who:~~

~~a. is currently excluded, suspended, debarred or otherwise ineligible to participate in federal and state health care programs; or~~

~~b. has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the federal and state health care programs after a period of exclusion, suspension, debarment, or ineligibility.~~

~~3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement. CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this Agreement.~~

~~4. HOSPITAL shall screen all current Covered Individuals and subcontractors annually to ensure that they have not become Ineligible Persons. HOSPITAL shall also request that its subcontractors use their best efforts to verify that they are eligible to participate in all federal and State of California health programs and have not been excluded or debarred from participation in any federal or state health care programs, and to further represent to HOSPITAL that they do not have any Ineligible Person in their employ or under contract directly providing services relevant to this Agreement.~~

~~5. Covered Individuals shall be required to disclose to HOSPITAL immediately any debarment, exclusion or other event that makes the Covered Individual an Ineligible Person. HOSPITAL shall notify ADMINISTRATOR immediately if a Covered Individual providing services directly relative to this Agreement becomes debarred, excluded or otherwise becomes an Ineligible Person.~~

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

~~7. HOSPITAL shall notify ADMINISTRATOR immediately if a Covered Individual or entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened. Such individual or entity shall be immediately removed from participating in any activity associated with this Agreement. ADMINISTRATOR will determine appropriate repayment from, or sanction(s) to HOSPITAL for services provided by ineligible person or individual. HOSPITAL shall promptly return any overpayments within forty five (45) business days after the overpayment is verified by the ADMINISTRATOR.~~

~~C. 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.~~

~~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.~~

~~D. MEDICAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS~~

~~1. HOSPITAL shall take reasonable precaution to ensure that the coding of health care claims, billings and/or invoices for same are prepared and submitted in an accurate and timely manner and are consistent with federal, state and county laws and regulations.~~

~~2. HOSPITAL shall not submit any false, fraudulent, inaccurate and/or fictitious claims for payment or reimbursement of any kind.~~

~~3. HOSPITAL shall bill only for those eligible services actually rendered which are also fully documented. When such services are coded, HOSPITAL shall use accurate billing codes which accurately describe the services provided and must ensure compliance with all billing and documentation requirements.~~

~~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.~~

~~5. HOSPITAL shall promptly return any overpayments within forty-five (45) business days after the overpayment is verified by the HOSPITAL and the ADMINISTRATOR.~~

V. CONFIDENTIALITY

~~A. HOSPITAL shall maintain the confidentiality of all records, including billings and any audio and/or video recordings, in accordance with all applicable federal, state and county 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, employees, consultants, subcontractors, volunteers and interns of the HOSPITAL shall agree, in writing, with HOSPITAL to maintain the confidentiality of any and all information and records which may be obtained in the course of providing such services. This Agreement shall specify that it is effective irrespective of all subsequent resignations or terminations of HOSPITAL members of the Board of Directors or its designee or authorized agent, employees, consultants, subcontractors, volunteers and interns.~~

VI. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS

~~— A. HOSPITAL may not delegate the obligations hereunder, either in whole or in part, without prior written consent of COUNTY. HOSPITAL shall provide written notification of HOSPITAL's intent to delegate the obligations hereunder, either in whole or part, to ADMINISTRATOR not less than sixty (60) calendar days prior to the effective date of the delegation. Any attempted assignment or delegation in derogation of this paragraph shall be void.~~

~~— B. HOSPITAL may not assign the rights hereunder, either in whole or in part, without the prior written consent of COUNTY.~~

~~1. If HOSPITAL is a nonprofit organization, any change from a nonprofit corporation to any other corporate structure of HOSPITAL, including a change in more than fifty percent (50%) of the composition of the Board of Directors within a two (2) month period of time, shall be deemed an assignment for purposes of this paragraph, unless HOSPITAL is transitioning from a community clinic/health center to a Federally Qualified Health Center and has been so designated by the Federal Government. Any attempted assignment or delegation in derogation of this subparagraph shall be void.~~

~~2. If HOSPITAL is a for-profit organization, any change in the business structure, including but not limited to, the sale or transfer of more than ten percent (10%) of the assets or stocks of HOSPITAL, change to another corporate structure, including a change to a sole proprietorship, or a change in fifty percent (50%) or more of Board of Directors of HOSPITAL at one time shall be deemed an assignment pursuant to this paragraph. Any attempted assignment or delegation in derogation of this subparagraph shall be void.~~

~~3. If HOSPITAL is a governmental organization, any change to another structure, including a change in more than fifty percent (50%) of the composition of its governing body (i.e. Board of Supervisors, City Council, School Board) within a two (2) month period of time, shall be deemed an assignment for purposes of this paragraph. Any attempted assignment or delegation in derogation of this subparagraph shall be void.~~

~~4. Whether HOSPITAL is a nonprofit, for profit, or a governmental organization, HOSPITAL shall provide written notification of HOSPITAL's intent to assign the obligations hereunder, either in whole or part, to ADMINISTRATOR not less than sixty (60) calendar days prior to the effective date of the assignment.~~

~~C. HOSPITAL's obligations undertaken pursuant to this Agreement may be carried out by means of subcontracts, provided such subcontracts are approved in advance, in writing by ADMINISTRATOR, meet the requirements of this Agreement as they relate to the service or activity under subcontract.~~

~~1. After approval of a subcontract, ADMINISTRATOR may revoke the approval of a subcontract upon five (5) calendar days written notice to HOSPITAL if the subcontract subsequently fails to meet the requirements of this Agreement or any provisions that ADMINISTRATOR has required.~~

~~2. No subcontract shall terminate or alter the responsibilities of HOSPITAL to COUNTY~~

pursuant to this Agreement.

~~3. ADMINISTRATOR may disallow, from payments otherwise due HOSPITAL, amounts claimed for subcontracts not approved in accordance with this paragraph.~~

~~4. This provision shall not be applicable to service agreements usually and customarily entered into by HOSPITAL to obtain or arrange for supplies, technical support, and professional services provided by consultants.~~

VII. EMPLOYEE ELIGIBILITY VERIFICATION

~~HOSPITAL attests that it shall fully comply with all federal and state statutes and regulations regarding the employment of aliens and others and to ensure that employees, subcontractors, and consultants performing work under this Agreement meet the citizenship or alien status requirement set forth in federal statutes and regulations. HOSPITAL shall obtain, from all employees, and shall use its best efforts to obtain, from subcontractors and consultants 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 USC §1324 et seq., as they currently exist and as they may be hereafter amended. HOSPITAL shall retain all such documentation for all covered employees, subcontractors, and consultants for the period prescribed by the law.~~

VIII. FACILITIES, PAYMENTS AND SERVICES

~~HOSPITAL agrees to provide the services, staffing, facilities, and supplies in accordance with Exhibits A and B to this Agreement. COUNTY shall compensate, and authorize, when applicable, said services. HOSPITAL shall operate continuously throughout the term of this Agreement with at least the minimum number and type of staff which meet applicable federal and state requirements, and which are necessary for the provision of the services hereunder.~~

IX. INDEMNIFICATION AND INSURANCE

~~A. HOSPITAL agrees to indemnify, defend with Counsel approved in writing by COUNTY, which approval shall not be unreasonably held, 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 HOSPITAL pursuant to this Agreement but only in proportion to and to the extent such claims, demands, including defense costs, or liability are caused by or result from the negligent or intentional acts or omissions of HOSPITAL, its officers, employees, or agents. If judgment is entered against HOSPITAL 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.~~

~~B. Each party agrees to provide the indemnifying party with written notification of any claim related to services provided by either party pursuant to this Agreement within thirty (30) calendar days of notice thereof, and in the event the indemnifying party is subsequently named party to the litigation, each party shall cooperate with the indemnifying party in its defense.~~

~~C. Prior to the provision of services under this Agreement, HOSPITAL agrees to purchase all required insurance, or maintain a program of self insurance at HOSPITAL's expense and to submit to COUNTY the COI, including all endorsements required herein, necessary to satisfy COUNTY that the insurance provisions of this Agreement have been complied with and to maintain such insurance coverage or maintain equivalent self insurance during the entire term of this Agreement. In addition, all subcontractors performing work on behalf of HOSPITAL pursuant to this Agreement shall obtain insurance or equivalent self insurance subject to the same terms and conditions as set forth herein for HOSPITAL.~~

~~D. All self insured retentions (SIRs) and deductibles shall be clearly stated on the COI. If no SIRs or deductibles apply, indicate this on the COI with a 0 by the appropriate line of coverage. Any self insured retention (SIR) or deductible in an amount in excess of \$25,000 (\$5,000 for automobile liability), shall specifically be approved by the County Executive Office (CEO)/Office of Risk Management.~~

~~E. If HOSPITAL fails to maintain insurance acceptable to COUNTY for the full term of this Agreement, COUNTY may terminate this Agreement.~~

~~F. QUALIFIED INSURER~~

~~1. The policy or policies of insurance, if not self insured, must be issued by an insurer licensed to do business in the state of California (California Admitted Carrier) or have a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the Best's Key Rating Guide/Property Casualty/United States or ambest.com)~~

~~2. If the insurance carrier is not an admitted carrier in the state of California and does not have an A.M. Best rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.~~

~~#~~

~~#~~

~~#~~

~~#~~

~~G. The policy or policies of insurance or equivalent self insurance maintained by HOSPITAL shall provide the minimum limits and coverage as set forth below:~~

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability	\$5,000,000 per occurrence

~~11~~ _____ \$5,000,000 aggregate
~~22~~ _____
~~33~~ _____ Automobile Liability including coverage _____ \$1,000,000 per occurrence
~~44~~ _____ for owned, non-owned and hired vehicles
~~55~~ _____
~~66~~ _____ Workers' Compensation _____ Statutory
~~77~~ _____
~~88~~ _____ Employers' Liability Insurance _____ \$1,000,000 per occurrence
~~99~~ _____
~~100~~ _____ Professional Liability Insurance _____ \$3,000,000 per claims made
~~111~~ _____ or per occurrence
~~122~~ _____
~~133~~ _____ Sexual Misconduct Liability _____ \$1,000,000 per occurrence
~~144~~ _____

~~155~~ H. REQUIRED COVERAGE FORMS IF NOT SELF-INSURED

~~166~~ _____ 1. The Commercial General Liability coverage shall be written on ISO form CG 00 01, or a
~~177~~ substitute form providing liability coverage at least as broad.

~~188~~ _____ 2. The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA
~~199~~ 0012, CA 00 20, or a substitute form providing coverage at least as broad.

~~200~~ _____ I. REQUIRED ENDORSEMENTS The Commercial General Liability policy shall contain the
~~211~~ following endorsements, but limited to the indemnity obligations contained in Subparagraph VIII.A.
~~222~~ above, which shall accompany the COI:

~~233~~ _____ 1. An Additional Insured endorsement using ISO form CG 2010 or CG 2033 or a form at least
~~244~~ as broad naming the County of Orange, its elected and appointed officials, officers, employees, agents as
~~255~~ Additional Insureds.

~~266~~ _____ 2. A primary non-contributing endorsement evidencing that the HOSPITAL's insurance is
~~277~~ primary and any insurance or self insurance maintained by the County of Orange shall be excess and non-
~~288~~ contributing.

~~299~~ _____ J. All insurance policies required by this Agreement shall waive all rights of subrogation against the
~~300~~ County of Orange and members of the Board of Supervisors, its elected and appointed officials, officers,
~~311~~ agents and employees when acting within the scope of their appointment or employment.

~~322~~ #

~~333~~ _____ K. The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving
~~344~~ all rights of subrogation against the County of Orange, and members of the Board of Supervisors, its
~~355~~ elected and appointed officials, officers, agents and employees.

~~366~~ _____ L. All insurance policies required by this Agreement shall give COUNTY thirty (30) calendar days
~~377~~ notice in the event of cancellation and ten (10) calendar days notice for non-payment of premium. This

shall be evidenced by policy provisions or an endorsement separate from the COI.

~~M. If HOSPITAL's Professional Liability policy is a "claims made" policy, HOSPITAL shall agree to maintain professional liability coverage for two years following completion of Agreement.~~

~~N. The Commercial General Liability policy shall contain a severability of interests clause also known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).~~

~~O. Throughout the term of this AGREEMENT and upon written mutual agreement between COUNTY and HOSPITAL, the insurance minimum limits and coverage as set forth in Subparagraph VIII.H. above may be increased or decreased. Any increase or decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect COUNTY.~~

~~P. COUNTY shall notify HOSPITAL in writing of changes in the insurance requirements. If HOSPITAL does not deposit copies of acceptable COI's and endorsements with COUNTY incorporating such changes within thirty (30) calendar days of receipt of such notice, this Agreement may be in breach without further notice to HOSPITAL, and COUNTY shall be entitled to all legal remedies.~~

~~Q. The procuring of such required policy or policies of insurance shall not be construed to limit HOSPITAL's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement, nor act in any way to reduce the policy coverage and limits available from the insurer.~~

~~R. SUBMISSION OF INSURANCE DOCUMENTS~~

1. ~~The COI and endorsements shall be provided to COUNTY as follows:~~

~~a. Prior to, or at the time of, execution of this Agreement.~~

~~b. No later than the expiration date for each policy.~~

~~c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding changes to any of the insurance types as set forth in Subparagraph F. of this Agreement.~~

~~2. The COI and endorsements shall be provided to the COUNTY at the address as referenced in the Referenced Contract Provisions of this Agreement.~~

~~3. If HOSPITAL fails to submit the COI and endorsements that meet the insurance provisions stipulated in this Agreement by the above specified due dates, ADMINISTRATOR shall have sole discretion to impose one or both of the following:~~

~~a. ADMINISTRATOR may withhold or delay any or all payments due HOSPITAL pursuant to any and all Agreements between COUNTY and HOSPITAL until such time that the required COI and endorsements that meet the insurance provisions stipulated in this Agreement are submitted to ADMINISTRATOR.~~

~~b. HOSPITAL may be assessed a penalty of one hundred dollars (\$100) for each late COI or endorsement for each business day, pursuant to any and all Agreements between COUNTY and HOSPITAL, until such time that the required COI and endorsements that meet the insurance provisions stipulated in this Agreement are submitted to ADMINISTRATOR.~~

~~c. If HOSPITAL is assessed a late penalty, the amount shall be deducted from CONTRACTOR's monthly invoice.~~

~~d. Notwithstanding the above, endorsements shall not be required in the case of self-insurance.~~

~~4. In no cases shall assurances by HOSPITAL, its employees, agents, including any insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid COI's and endorsements, or in the interim, an insurance binder as adequate evidence of insurance.~~

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

X. 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 other of their authorized representatives, shall have access to any books, documents, and records, including but not limited to, financial statements, general ledgers, relevant accounting systems, medical and client records, of HOSPITAL that are directly pertinent to this Agreement, for the purpose of responding to a beneficiary complaint or conducting an audit, review, evaluation, or examination, or making transcripts during the periods of retention set forth in the Records Management and Maintenance Paragraph of this Agreement. Such 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.~~

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

~~C. AUDIT RESPONSE~~

~~1. Following an audit report, in the event of non-compliance with applicable laws and regulations governing funds provided through this Agreement, COUNTY may terminate this Agreement as provided for in the Termination Paragraph or direct HOSPITAL to immediately implement appropriate corrective action. A plan of corrective action 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) calendar days, COUNTY may, in addition to any other remedies provided by law, reduce any amount owed HOSPITAL by an amount not to exceed the reimbursement due COUNTY.~~

~~D. HOSPITAL shall forward to ADMINISTRATOR a copy of any audit report, that is directly related to services provided under this Agreement, within fourteen (14) calendar days of receipt. Such audit shall include, but not be limited to, management, financial, programmatic or any other type of audit of HOSPITAL's operations, whether or not the cost of such operation or audit is reimbursed in whole or in part through this Agreement.~~

~~E. COUNTY shall provide HOSPITAL with at least seventy-two (72) hours' prior written notice of such inspections or evaluations. Unannounced inspections, evaluations, or requests for information may be made in those situations where arrangement of an appointment beforehand is not possible or is inappropriate due to the nature of the inspection or evaluation.~~

~~XI. LICENSES AND LAW~~

~~A. HOSPITAL, its officers, agents, employees, affiliates, and subcontractors shall, throughout the term of this Agreement, maintain all necessary licenses, permits, approvals, certificates, accreditations, waivers, and exemptions necessary for the provision of the services hereunder and required by the laws, regulations and requirements of the United States, the State of California, COUNTY, and all other applicable governmental agencies.~~

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

C. ~~The parties acknowledge that each is a Covered Entity, as defined by the Health Insurance Portability and Accountability Act (HIPAA) and is responsible for complying with said regulations for purposes of safeguarding any Protected Health Information (PHI) generated by each party for its own purposes. Except as otherwise limited by said regulations~~ regulation or law, ~~HOSPITAL~~ CONTRACTOR shall provide to COUNTY, and COUNTY may use or disclose PHI to perform functions, activities, or services for, or on behalf of, ~~HOSPITAL~~ CONTRACTOR as specified in this Agreement, provided ~~that~~ such use or disclosure would not violate the Privacy Rule if done by ~~HOSPITAL~~ CONTRACTOR or the Minimum Necessary policies and procedures of ~~HOSPITAL~~ CONTRACTOR as required and/or defined by HIPAA.

D. ~~HOSPITAL~~ CONTRACTOR attests, to the best of its knowledge, that all physicians providing services at ~~HOSPITAL~~ CONTRACTOR's facility(ies), under this Agreement, are and will continue to be as long as this Agreement remains in effect, the holders of currently valid licenses to practice medicine in the State of California and are members in "good standing" of the medical staff of ~~HOSPITAL's~~ CONTRACTOR's facility(ies).

E. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

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

a. In the case of an individual ~~HOSPITAL~~ contractor, his/her name, date of birth, social security number, and residence address;

b. In the case of a ~~HOSPITAL~~ 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 percent (10%) or more in the contracting entity;

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

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

2. Failure of ~~HOSPITAL~~ CONTRACTOR to timely submit the data and/or certifications required by Subparagraphs 1.a., 1.b., 1.c., or 1.d. above, or to comply with all federal and state employee 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 this Agreement; and failure to cure such breach within sixty (60) calendar days of notice from COUNTY shall constitute grounds for termination of this Agreement.

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

IV. ~~NOTICES~~ LITERATURE, ADVERTISEMENTS, and social media

~~A. Any written information or literature, including educational or promotional materials, distributed by CONTRACTOR to any person or organization for purposes directly or indirectly related to this Agreement must be approved at least thirty (30) calendar days in advance and in writing by ADMINISTRATOR before distribution. For the purposes of this Agreement, distribution of written materials shall include, but not be limited to, pamphlets, brochures, flyers, newspaper or magazine ads, and electronic media such as the Internet.~~

~~B. Both parties agree that they will not use the name(s), symbols, trademarks or service marks, presently existing or later established, of the other party nor its employees in any advertisement, press release or publicity with reference to this Agreement without the prior written approval of the other party's authorized official. Requests for approval shall be made to ADMINISTRATOR or to CONTRACTOR's signatory of this Agreement. CONTRACTOR may represent itself as a contracted provider of Hospital Services for the residents of Orange County as provided in Subparagraph A above. ADMINISTRATOR may include reference to Hospital Services provided by CONTRACTOR in informational materials relating to the continuum of care provided using federal, state and county funds.~~

~~Any advertisement through radio, television broadcast, or the Internet, for educational or promotional purposes, made by CONTRACTOR for purposes directly or indirectly related to this Agreement must be approved in advance at least thirty (30) calendar days and in writing by ADMINISTRATOR.~~

~~C. Any information as described in Subparagraphs A. and B. above shall not imply endorsement by~~

~~COUNTY, unless ADMINISTRATOR consents thereto in writing.~~

~~**XIII. NONDISCRIMINATION**~~

~~**A. EMPLOYMENT**~~

~~1. During the term of this Agreement, HOSPITAL and its Covered Individuals shall not unlawfully discriminate against any employee or applicant for employment because of his/her ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability. Additionally, during the term of this Agreement, HOSPITAL and its Covered Individuals shall make their best efforts to require in its subcontracts that subcontractors shall not unlawfully discriminate against any employee or applicant for employment because of his/her ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability.~~

~~2. HOSPITAL and its Covered Individuals shall not discriminate against employees or applicants for employment in the areas of employment, promotion, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship.~~

~~3. HOSPITAL shall not discriminate between employees with spouses and employees with domestic partners, or discriminate between domestic partners and spouses of those employees, in the provision of benefits.~~

~~4. HOSPITAL shall post in conspicuous places, available to employees and applicants for employment, notices from ADMINISTRATOR and/or the United States Equal Employment Opportunity Commission setting forth the provisions of the Equal Opportunity clause.~~

~~5. All solicitations or advertisements for employees placed by or on behalf of HOSPITAL and/or subcontractor shall state that all qualified applicants will receive consideration for employment without regard to ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability. Such requirements shall be deemed fulfilled by use of the term EOE.~~

~~6. Each labor union or representative of workers with which HOSPITAL and/or subcontractor has a collective bargaining agreement or other contract or understanding must post a notice advising the labor union or workers' representative of the commitments under this Nondiscrimination Paragraph and shall post copies of the notice in conspicuous places available to employees and applicants for employment.~~

~~**B. SERVICES, BENEFITS AND FACILITIES** HOSPITAL and/or subcontractor shall not discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities on the basis of ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability in~~

accordance with Title IX of the Education Amendments of 1972 as they relate to 20 USC §1681–§1688; Title VI of the Civil Rights Act of 1964 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); and Title 9, Division 4, Chapter 6, Article 1 (§10800, et seq.) of the California Code of Regulations,) as applicable, and all other pertinent rules and regulations promulgated pursuant thereto, and as otherwise provided by state law and regulations, as all may now exist or be hereafter amended or changed. For the purpose of this Nondiscrimination paragraph, Discrimination includes, but is not limited to the following based on one or more of the factors identified above:

1. Denying a client or potential client any service, benefit, or accommodation.
2. Providing any service or benefit to a client which is different or is provided in a different manner or at a different time from that provided to other clients.
3. Restricting a client in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit.
4. Treating a client differently from others in satisfying any admission requirement or condition, or eligibility requirement or condition, which individuals must meet in order to be provided any service or benefit.
5. Assignment of times or places for the provision of services.

C. COMPLAINT PROCESS—HOSPITAL shall establish procedures for advising all clients through a written statement that HOSPITAL and/or subcontractor clients may file all complaints alleging discrimination in the delivery of services with HOSPITAL, subcontractor, and ADMINISTRATOR.

1. Whenever possible, problems shall be resolved informally and at the point of service. HOSPITAL shall establish an internal informal problem resolution process for clients not able to resolve such problems at the point of service. Clients may initiate a grievance or complaint directly with HOSPITAL either orally or in writing.

2. Within the time limits procedurally imposed, the complainant shall be notified in writing as to the findings regarding the alleged complaint and, if not satisfied with the decision, may file an appeal.

D. PERSONS WITH DISABILITIES—HOSPITAL and/or subcontractor agree to comply with the provisions of §504 of the Rehabilitation Act of 1973, as amended, (29 USC 794 et seq., as implemented in 45 CFR 84.1 et seq.), and the Americans with Disabilities Act of 1990 (42 USC 12101 et seq.), as applicable, pertaining to the prohibition of discrimination against qualified persons with disabilities in all programs or activities; and if applicable, as implemented in Title 45, CFR, §84.1 et seq., as they exist now or may be hereafter amended together with succeeding legislation.

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

F. In the event of non-compliance with this paragraph or as otherwise provided by federal and state

~~law, this Agreement may be canceled, terminated or suspended in whole or in part and HOSPITAL or subcontractor may be declared ineligible for further contracts involving federal, state or county funds.~~

XIV. NOTICES

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

1. When written and deposited in the United States mail, first class postage prepaid and addressed as specified in the Referenced Contract Provisions of this Agreement or as otherwise directed by ADMINISTRATOR;

2. When faxed, transmission confirmed;

3. When sent by Email; or

4. When accepted by U.S. Postal Service Express Mail, Federal Express, United Parcel Service, or any other expedited delivery service.

B. ~~Formal~~ NOTICES, ~~such as Termination Notices or notices modifying terms and conditions of this Agreement, as allowed pursuant to this Agreement, shall be effective:~~

~~1. When written and deposited in the United States mail, first class postage prepaid, certified mail, return receipt requested, and shall be~~ addressed as specified in the Referenced Contract Provisions of this Agreement or as otherwise directed by ADMINISTRATOR; ~~or~~

~~2. When delivered~~ and shall be effective when faxed, transmission confirmed, or when accepted by U.S. Postal Service Express Mail, Federal Express, United Parcel Service or other expedited delivery service.

C. HOSPITAL CONTRACTOR shall notify ADMINISTRATOR, in writing, within twenty-four (24) hours of becoming aware of any occurrence of a serious nature, which may expose COUNTY to liability. Such occurrences shall include, but not be limited to, accidents, injuries, or acts of negligence, or loss or damage to any COUNTY property in possession of HOSPITAL CONTRACTOR.

D. For purposes of this Agreement, any notice to be provided by COUNTY may be given by ADMINISTRATOR.

~~E. For purposes of this Agreement, HOSPITAL agrees that the Hospital Association of Southern California (HASC) may act as a representative of all Contracting Hospitals for the purpose of distributing and/or coordinating any notices which may be provided by ADMINISTRATOR and which shall be applicable to all Contracting Hospitals. In such instances, notification to HASC shall be deemed as notification to HOSPITAL.~~

V. RECORDS MANAGEMENT AND MAINTENANCE

~~A. HOSPITAL, its officers, agents, employees and subcontractors shall, throughout the term of this Agreement, prepare, maintain and manage records appropriate to the services provided and in accordance with this Agreement and all applicable requirements.~~

~~11 — B. HOSPITAL shall implement and maintain administrative, technical and physical safeguards to~~
~~22 ensure the privacy of PHI and prevent the intentional or unintentional use or disclosure of PHI in violation~~
~~33 of the HIPAA, federal and state regulations and/or CHPP.~~

~~44 — C. HOSPITAL shall mitigate to the extent practicable, the known harmful effect of any use or~~
~~55 disclosure of PHI made in violation of federal or state regulations and/or COUNTY policies.~~

~~66 — D. HOSPITAL's participant, client, and/or patient records shall be maintained in a secure manner.~~
~~77 HOSPITAL shall maintain participant, client, and/or patient records and must establish and implement~~
~~88 written record management procedures.~~

~~99 — E. HOSPITAL shall ensure all HIPAA (DRS) requirements are met. HIPAA requires that clients,~~
~~100 participants and/or patients be provided the right to access or receive a copy of their DRS and/or request~~
~~111 addendum to their records. Title 45 CFR §164.501, defines DRS as a group of records maintained by or~~
~~122 for a covered entity that is:~~

~~133 — 1. The medical records and billing records about individuals maintained by or for a covered~~
~~144 health care provider;~~

~~155 — 2. The enrollment, payment, claims adjudication, and case or medical management record~~
~~166 systems maintained by or for a health plan; or~~

~~177 — 3. Used, in whole or in part, by or for the covered entity to make decisions about individuals.~~

~~188 — F. HOSPITAL may retain participant, client, and/or patient documentation electronically in~~
~~199 accordance with the terms of this Agreement and common business practices. If documentation is retained~~
~~200 electronically, HOSPITAL shall, in the event of an audit or site visit:~~

~~211 — 1. Have documents readily available within forty eight (48) hour notice of a scheduled audit or~~
~~222 site visit.~~

~~233 — 2. Provide auditor or other authorized individuals access to documents via a computer~~
~~244 terminal~~

SEVERABILITY

~~266 3. Provide auditor or other authorized individuals a hardcopy printout of documents, if~~
~~277 requested.~~

~~288 — G. HOSPITAL shall ensure compliance with requirements pertaining to the privacy and security of~~
~~299 PII and/or PHI. HOSPITAL shall notify COUNTY immediately by telephone call plus email or fax upon~~
~~300 the discovery of a Breach of unsecured PHI and/or PII.~~

~~311 — H. HOSPITAL may be required to pay any costs associated with a Breach of privacy and/or security~~
~~322 of PII and/or PHI, including but not limited to the costs of notification. HOSPITAL shall pay any and all~~
~~333 such costs arising out of a Breach of privacy and/or security of PII and/or PHI.~~

~~344 — I. HOSPITAL shall retain all participant, client, and/or patient medical records for seven (7) years~~
~~355 following discharge of the participant, client and/or patient, with the exception of non-emancipated minors~~
~~366 for whom records must be kept for at least one (1) year after such minors have reached the age of eighteen~~
~~377 (18) years, or for seven (7) years after the last date of service, whichever is longer.~~

~~J. HOSPITAL shall ensure appropriate financial records related to cost reporting, expenditure, revenue, billings, etc., are prepared and maintained accurately and appropriately.~~

~~K. HOSPITAL shall ensure all appropriate state and federal standards of documentation, preparation, and confidentiality of records related to participant, client and/or patient records are met at all times.~~

~~L. HOSPITAL shall retain all financial records for a minimum of seven (7) years from the commencement of the contract, unless a longer period is required due to legal proceedings such as litigations and/or settlement of claims.~~

~~M. HOSPITAL shall make records pertaining to the costs of services, participant fees, charges, billings, and revenues available at one (1) location within the limits of the County of Orange.~~

~~N. If HOSPITAL is unable to meet the record location criteria above, ADMINISTRATOR may provide written approval to HOSPITAL to maintain records in a single location, identified by HOSPITAL.~~

~~O. HOSPITAL may be required to retain all records involving litigation proceedings and settlement of claims for a longer term which will be directed by the ADMINISTRATOR.~~

~~P. HOSPITAL, unless HOSPITAL is a public institution, shall notify ADMINISTRATOR of any PRA requests related to, or arising out of, this Agreement, within forty-eight (48) hours. HOSPITAL shall provide ADMINISTRATOR all information that is requested by the PRA request.~~

~~Q. If HOSPITAL is a public institution, COUNTY understands and agrees that 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 shall notify COUNTY. HOSPITAL shall make its best efforts to notify COUNTY no less than three (3) business days prior to releasing such information.~~

XVI. RESEARCH AND PUBLICATION

~~HOSPITAL shall not utilize information and data received from COUNTY or developed as a result of this Agreement for the purpose of personal publication.~~

XVII. RIGHT TO WORK AND MINIMUM WAGE LAWS

~~A. In accordance with the United States Immigration Reform and Control Act of 1986, HOSPITAL shall require its employees directly or indirectly providing service pursuant to this Agreement, in any manner whatsoever, to verify their identity and eligibility for employment in the United States. HOSPITAL shall also require and verify that its contractors, subcontractors, or any other persons providing services pursuant to this Agreement, in any manner whatsoever, verify the identity of their employees and their eligibility for employment in the United States.~~

~~B. Pursuant to the United States of America Fair Labor Standard Act of 1938, as amended, and State of California Labor Code, §1178.5, HOSPITAL shall pay no less than the greater of the federal or California Minimum Wage to all its employees that directly or indirectly provide services pursuant to this Agreement, in any manner whatsoever. HOSPITAL shall require and verify that all its contractors or~~

~~other persons providing services pursuant to this Agreement on behalf of HOSPITAL also pay their employees no less than the greater of the federal or California Minimum Wage.~~

~~C. CONTRACTOR shall comply and make its best efforts to verify that its contractors comply with all other federal and State of California laws for minimum wage, overtime pay, record keeping, and child labor standards pursuant to providing services pursuant to this Agreement~~

~~D. Notwithstanding the minimum wage requirements provided for in this clause, HOSPITAL, where applicable, shall comply with the prevailing wage and related requirements, as provided for in accordance with the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the Labor Code of the State of California (§§1770, et seq.), as it exists or may hereafter be amended.~~

XVIII. SEVERABILITY

If a court of competent jurisdiction declares any provision of this Agreement or application thereof to any person or circumstances to be invalid or if any provision of this Agreement contravenes any federal, state, or county ~~statute~~ statutes, ordinance, or regulation, the remaining provisions of this Agreement or the application thereof shall remain valid, and the remaining provisions of this Agreement shall remain in full force and effect, and to that extent the provisions of this Agreement are severable, unless to do so would defeat an essential business purpose of this Agreement.

VI. STATUS OF CONTRACTOR PARTIES

A. Each party is, and shall at all times be deemed to be, an independent contractor and shall be wholly responsible for the manner in which it performs the services required of it by the terms of this Agreement. ~~Each party is entirely responsible for compensating staff, subcontractors, and consultants employed by that party. This Agreement shall not be construed as creating the relationship of employer and employee, or principal and agent, between COUNTY and HOSPITAL CONTRACTOR or any of either party's employees, agents, consultants, or subcontractors, contractors. Each party assumes exclusively the responsibility for the acts of its employees, agents, consultants, or subcontractors, contractors as they relate to the services to be provided during the course and scope of their employment. Each party, its agents, employees, consultants, or subcontractors, shall not be entitled to any rights or privileges of the other party's employees and shall not be considered in any manner to be employees of the other party~~ respective contracts.

XX. TERM

~~A. This specific Agreement with CONTRACTOR is only one of several agreements to~~ B. COUNTY shall neither have, nor exercise, any control or direction over the methods by which ~~the term of~~ CONTRACTOR shall perform its obligations under this Agreement ~~applies.~~ The standards of medical care and professional duties of CONTRACTOR'S employees performing medical services under this Agreement shall be determined, as applicable, by CONTRACTOR'S Board of Directors and the

standards of care in the community in which CONTRACTOR is located, and all applicable provisions of law and other rules and regulations of any and all governmental authorities relating to licensure and regulation of CONTRACTOR.

VII. TERM

A. The term of this Agreement shall commence ~~and~~ as specified in the Referenced Contract Provisions of this Agreement or the execution date, whichever is later. This Agreement shall terminate as specified in the Referenced Contract Provisions of this Agreement; unless otherwise sooner terminated as provided in this Agreement; provided, however, CONTRACTOR shall be obligated to perform such duties as would normally extend beyond this term, including but not limited to, obligations with respect to confidentiality, indemnification, audits, reporting and accounting.

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.

VIII. TERMINATION

~~— A. HOSPITAL may terminate this Agreement, without cause, upon forty-five (45) calendar days notice given COUNTY.~~

~~— B. Either party may terminate this Agreement upon fifteen (15) calendar days prior written notice given the other for material breach of the Agreement; provided, however, the alleged breaching party has been given prior written notice setting forth the facts underlying the claim that breach of this Agreement has occurred and has failed to cure the alleged breach within thirty (30) calendar days.~~

~~— C. Unless otherwise specified in this Agreement, COUNTY may terminate this Agreement upon five (5) calendar days written notice if HOSPITAL fails to perform any of the terms of this Agreement. At ADMINISTRATOR's sole discretion, HOSPITAL may be allowed up to thirty (30) calendar days for corrective action.~~

~~— D.~~ A. COUNTY may terminate this Agreement immediately, upon written notice, on the occurrence of any of the following events:

- ~~1. The loss by HOSPITAL of legal capacity.~~
- ~~2. Cessation of services.~~
- ~~3. The delegation or assignment of HOSPITAL's services, operation or administration to another entity without the prior written consent of COUNTY.~~

~~4. The following occurrence for any Physician or licensed persons employed or provided privileges by HOSPITAL:~~

~~a. The neglect by any physician or licensed person employed by HOSPITAL of any duty required pursuant to this Agreement~~

~~b. The continued incapacity of any physician or licensed person to perform duties required pursuant to this Agreement.~~

c. ~~Unethical conduct or malpractice by any physician or licensed person providing services pursuant to this Agreement~~

~~d. COUNTY may waive termination, for Subsections XX.D.4.a. through XX.D.4.e. above, if HOSPITAL removes such physician or licensed person from serving persons treated or assisted pursuant to this Agreement.~~

~~5. The loss of accreditation or any license required by the Licenses and Laws paragraph of this Agreement.~~

~~6. EMERGENCY DEPARTMENT CLOSURE/LOSS OF LICENSE~~

~~a. HOSPITAL shall give COUNTY thirty (30) calendar days prior written notice and shall terminate this Agreement in the event that HOSPITAL loses its general acute care license, or no longer intends to operate at least a Basic Emergency Service, without any cure period, notwithstanding any other prior or subsequent provisions of this Agreement. Such notice shall include the date that operation of its Emergency Service will cease. Any interim payments to HOSPITAL may cease upon notification of intent to cease its Emergency Services and shall cease upon discontinuance of its Emergency Services. HOSPITAL terminating for such reason may be eligible for additional payments as may be provided for in this Agreement, and shall pay back any overpayments, at the time of Final Settlement, if such payments are required pursuant to this Agreement.~~

~~b. In the event that HOSPITAL ceases to operate at least a Basic Emergency Service at any time during this Agreement, for reasons other than those specified in subparagraph XX.D.6.a. above, and HOSPITAL fails to notify COUNTY of said action, COUNTY shall immediately terminate this Agreement and any interim payments to HOSPITAL shall also cease immediately; provided, however, that HOSPITAL may be eligible for additional payments, and shall pay back any over payments, at the time of Final Settlement, if such payments are required pursuant to this Agreement.~~

~~E. Termination of this Agreement for any reason shall result in payment to HOSPITAL, for emergency and stabilization services which may be provided by HOSPITAL after termination as required by law, at rates established by COUNTY in accordance with this Agreement for Non-Contracting Hospitals.~~

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

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

~~1. The loss by CONTRACTOR of legal capacity.~~

2. Cessation of services.

3. The loss of accreditation or any license required by the Licenses and Law Paragraph of this Agreement.

4. ~~G. If the legislation or a court of competent jurisdiction determines that Eligible Persons are fully covered by the State Medi-Cal Program, or any other State program, all obligations and rights related to such persons under this Agreement shall be suspended while such legislation or court order is effective, or HOSPITAL and COUNTY shall have the right to terminate this Agreement upon ten (10) days prior written notice given the other party and without any cure period, notwithstanding any other prior or subsequent provisions of this Agreement.~~

~~H. The delegation or assignment by CONTRACTOR of obligations hereunder to another entity without the prior written consent of COUNTY.~~

C. CONTINGENT FUNDING

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

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

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

2. In the event such funding is subsequently reduced or terminated, ~~COUNTY may suspend, terminate or renegotiate this Agreement upon thirty (30) calendar days written notice given HOSPITAL. If COUNTY elects to renegotiate this Agreement due to reduced or terminated funding, HOSPITAL shall not be obligated to accept the renegotiated terms.~~

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

b. ~~I. In the event this Agreement is suspended or terminated prior to the completion of the term as specified in the Referenced Contract Provisions of this Agreement, ADMINISTRATOR may, at its sole discretion, reduce the funding level in an amount consistent with the reduced term of the Agreement.~~

J. AMENDMENT

1. ~~In the event of a formal amendment to this Agreement (Amendment), which requires execution by both COUNTY and HOSPITAL, HOSPITAL shall return a fully executed Amendment to ADMINISTRATOR within forty five (45) calendar days of ADMINISTRATOR's delivery to HOSPITAL of said Amendment.~~

2. ~~If HOSPITAL does not return a fully executed Amendment by the date specified, ADMINISTRATOR CONTRACTOR may terminate this Agreement; provided, however, ADMINISTRATOR CONTRACTOR shall first notify HOSPITAL and then give thirty (30) calendar days prior written notice to HOSPITAL COUNTY, which notice shall be given no later than fifteen (15) thirty~~

28 of 28

~~(30) calendar days after the fully executed Amendment was due to ADMINISTRATOR. At~~
~~ADMINISTRATOR's discretion, a~~ notice by COUNTY of its intent to reduce funding, without any cure
period ~~may be provided to HOSPITAL,~~ notwithstanding any other prior or subsequent provisions of this
Agreement.

~~— K. In the event this Agreement is terminated by either party pursuant to Subparagraphs B., C. or~~
~~D. above, HOSPITAL~~ After receiving a notice of termination, CONTRACTOR shall do the
following:

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

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

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

~~— 4. If clients~~ 4. Until the date of termination, continue to be reimbursed by
COUNTY for provision of services specified herein.

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

6. Assist ADMINISTRATOR in effecting the transfer of ~~clients~~ patients in a manner consistent
with ~~client's~~ their best interests.

~~— 6. If records are to be transferred to COUNTY, pack and label such records in accordance with~~
~~directions provided by ADMINISTRATOR.~~

~~— 7. Return to COUNTY, in the manner indicated by ADMINISTRATOR, any equipment and~~
~~supplies purchased with funds provided by COUNTY.~~

~~— 8. To the extent services are terminated, cancel outstanding commitments covering the~~
~~procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding~~
~~commitments which relate to personal services. With respect to these canceled commitments, HOSPITAL~~
~~shall submit a written plan for settlement of all outstanding liabilities and all claims arising out of such~~
~~cancellation of commitment which shall be subject to written approval of ADMINISTRATOR.~~

~~— L~~ E. The rights and remedies of COUNTY and CONTRACTOR provided in this Termination
Paragraph shall not be exclusive, and are in addition to any other rights and remedies provided by law or
under this Agreement.

~~IX. THIRD PARTY BENEFICIARY~~

~~THIRD PARTY BENEFICIARY~~

Neither party hereto intends that this Agreement shall create rights hereunder in third parties

including, but not limited to, any subcontractors or any clients provided services pursuant to this Agreement.

X. ~~WAIVER OF DEFAULT OR BREACH.~~ WAIVER OF DEFAULT OR BREACH

Waiver by COUNTY either party of any default by HOSPITAL the other party shall not be considered a waiver of any other or subsequent default. Waiver by COUNTY either party of any breach by HOSPITAL the other party of any provision of this Agreement shall not be considered a waiver of any other or subsequent breach. -Waiver by COUNTY the other party of any default or any breach by HOSPITAL the other party shall not be considered a modification of the terms of this Agreement.

#

#

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

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

«UC_NAME» «UC_DBA»

<<HOSPITAL NAME>>

BY: _____ DATED: _____

TITLE: _____

BY: _____ DATED: _____

TITLE: _____

COUNTY OF ORANGE

BY: _____ DATED: _____

HEALTH CARE AGENCY

APPROVED AS TO FORM

OFFICE OF THE COUNTY COUNSEL

ORANGE COUNTY, CALIFORNIA

BY: _____ DATED: _____

DEPUTY

If the contracting party is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer. If the contract is signed by one (1) authorized individual only, a copy of the corporate resolution or by-laws whereby the ~~board~~ Board of ~~directors~~ Directors has empowered said authorized individual to act on its behalf by his or her signature alone is required by HCA ADMINISTRATOR.

28 of 28

EXHIBIT A
TO AGREEMENT FOR THE PROVISION OF
INDIGENT AND TRAUMA CARE
BETWEEN
COUNTY OF ORANGE
AND—
«UC_NAME» «UC_DBA»
«HOSPITAL NAME»

JULY 1, 2014 2016 THROUGH JUNE 30, 2016 2020

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.~~ "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.

~~C.~~ "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.

C. "Disproportionate Share Hospital" or "DSH Hospital" means a designation given by DHCS to hospitals which serve a disproportionate number of low-income patients and are not designated as public hospitals by DHCS.

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

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

F. "Fiscal Year" or "FY" means the period commencing July 1 and ending June 30.

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

H. ~~H.~~ "Intergovernmental Transfer" or "IGT" means, for the purposes of this Agreement, the transfer of TSR Funds from COUNTY to DHCS to use as match funds for federal financial participation in accordance with WIC 14166.12.

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

~~I.~~ ~~J.~~ "Medically necessary services" means medical services necessary to protect life, to prevent significant disability or to prevent serious deterioration of health.

~~J.~~ ~~K.~~ "OSHPD" means the Office of Statewide Health Planning and Development.

~~K.~~ ~~L.~~ "SB 1773 Funds" means additional revenues from certain fines and penalties received by COUNTY and deposited into the EMSF.

~~L.~~ ~~M.~~ "Tobacco Settlement Revenue Funds" or "TSR Funds" means those Tobacco Settlement Revenue funds received by COUNTY, pursuant to ~~Measure H~~ the Codified Ordinances of Orange County, Title 1, Division 4, Article 14, to be distributed to hospitals to offset the cost of providing charity care.

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

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

II. ~~HOSPITAL~~ ~~CONTRACTOR~~ OBLIGATIONS

A. TOBACCO SETTLEMENT REVENUE (TSR) ~~FUNDS~~

1. As a condition for ~~HOSPITAL~~ ~~CONTRACTOR~~ to receive TSR Funds, ~~HOSPITAL~~ ~~CONTRACTOR~~ shall maintain basic or comprehensive emergency services. ~~For the purposes of this Agreement, CHOC Children's at Mission Hospital is deemed to meet this requirement as its emergency services are provided through a shared services agreement with Mission Hospital.~~

2. In the event that reporting requirements are established as a condition for COUNTY to receive TSR Funds, ~~HOSPITAL~~ ~~CONTRACTOR~~ shall work in collaboration with COUNTY to address those reporting requirements. ADMINISTRATOR shall notify ~~CONTRACTOR and the Hospital Association of Southern California (HASC)~~ of any such requirements.

B. EMERGENCY MEDICAL SERVICES FUND - As a condition for ~~HOSPITAL~~ ~~CONTRACTOR~~ to receive funds from the Emergency Medical Services Fund, ~~HOSPITAL~~ ~~CONTRACTOR~~ shall:

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

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

3. Long Beach Memorial Medical Center, as a COUNTY ~~designated Orange County trauma center~~ recognized Trauma Center for the receipt of Orange County residents contingent upon its designation by Los Angeles County, shall be obligated to only those terms specified in this subparagraph II.B. of Exhibit A to the Agreement.

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

1. Be designated as a trauma center by the Local EMS Agency pursuant to California Health & Safety Code, Section 1798.165 and comply with the requirements of the H&S Code section.

2. Be located within the Local EMS Agency's geographic boundaries.

3. Agree to remain a trauma center and/or provide contracted pediatric trauma care and/or emergency services through June 30 of the fiscal year in which it receives funding. If the trauma center ceases to function as a trauma center, ~~HOSPITAL~~ CONTRACTOR shall pay back to the COUNTY a pro rata portion of the funding that has been received.

D. 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~~ CONTRACTOR for services provided in accordance

with this Agreement, ~~HOSPITAL~~ CONTRACTOR shall remit all or part of funds received in accordance with directions provided by ADMINISTRATOR subject to all appeals as permitted by law.

E. ~~HOSPITAL~~ CONTRACTOR 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 COUNTY by HASC.

III. COUNTY OBLIGATIONS

A. ~~TSR FUND~~ FUNDS PAYMENTS TO ~~HOSPITAL~~ CONTRACTOR

1. ~~Within seven (7) calendar days of receipt of TSR funds from the state, which the parties agree has been historically in April of each fiscal year, COUNTY shall finalize the calculations to distribute TSR Funds, to partially offset the costs of providing charity care, to qualifying Contracting Hospitals within Orange County that maintain basic or comprehensive emergency services or trauma centers. Payment of TSR Funds shall not exceed TSR Funds received and designated by COUNTY for Contracting Hospitals, to partially offset the costs of providing charity care.~~

~~2. Within thirty (30) calendar days of receipt of TSR Funds from the state for each Period or upon receipt of HOSPITAL's executed copy of this Agreement, whichever is later, COUNTY shall distribute TSR Funds for the applicable Period to HOSPITAL proportionate to HOSPITAL's Orange County Charity Care Other plus Bad Debts, as reported to the California Office of Statewide Health Planning and Development (OSHDP) by HOSPITAL, to the total Charity Care Other and Bad Debts reported by all eligible Orange County Contracting Hospitals. COUNTY shall use the latest official OSHDP data readily available to the public as of the date this Agreement is approved by COUNTY's Board of Supervisors for Period One and as of April 1, 2015 for Period Two.~~

~~3. Payments made to HOSPITAL shall not exceed the value of care given as reported by Hospitals to OSHDP.~~

~~4. a. The parties agree that the OSHDP Annual Financial Data for hospitals found at <http://www.oshpd.ca.gov/hid/Products/Hospitals/QuatrlyFinanData/CmpleteData/default.asp> shall be the official data used to complete the calculations for each applicable Period. This data has historically been made available in October each year for services provided the prior calendar year.~~

b. At the sole discretion of, and in accordance with the calculations made by ADMINISTRATOR, TSR Funds to ~~HOSPITAL~~ CONTRACTOR shall be adjusted to reflect additions to or deletions from the list of Contracting Hospitals, as specified in Exhibit B to this Agreement.

c. Upon written notification from HASC to ADMINISTRATOR regarding the acquisition of one or more Contracting Hospitals by another Contracting Hospital, ADMINISTRATOR may adjust TSR Funds to ~~HOSPITAL~~ CONTRACTOR to reflect said acquisition.

d. COUNTY shall not distribute TSR Funds to Long Beach Memorial Medical Center.

2. The estimated timelines for allocation of TSR Funds provided through this Agreement are as follows:

<u>Period</u>	<u>OSHPD Data Available</u>	<u>TSR Funds Received</u> <u>by COUNTY</u>	<u>Calculations</u> <u>Finalized</u>
<u>Period One</u>	<u>October, 2016</u>	<u>April, 2017</u>	<u>April, 2017</u>
<u>Period Two</u>	<u>October 2017</u>	<u>April, 2018</u>	<u>April, 2018</u>
<u>Period Three</u>	<u>October, 2018</u>	<u>April, 2019</u>	<u>April, 2019</u>
<u>Period Four</u>	<u>October, 2019</u>	<u>April, 2020</u>	<u>April, 2020</u>

//

3. TSR Funds shall be distributed to CONTRACTOR in accordance with Exhibit B to the Agreement.

B. EMSF - PAYMENTS TO TRAUMA CENTERS

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

2. Each Period, COUNTY shall pay one hundred twenty-five thousand dollars (\$125,000) to each Orange County-designated trauma center that is a Contracting Hospital during the applicable Period.

3. The balance of the EMSF, if any, shall be paid by COUNTY to each trauma center based upon the ratio of services provided by each trauma center to total services provided by all trauma centers during each Period, as reported to the County Emergency Medical Services Trauma Registry.

a. If ~~HOSPITAL~~ CONTRACTOR is located within the borders of Orange County, ~~HOSPITAL~~ CONTRACTOR shall also be required to be a Medical Safety Net 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 each Period.

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

5. The estimated timelines for payment of EMSF Funds provided through this Agreement are as follows:

<u>Period</u>	<u>Base Payment</u>	<u>Balance of EMSF</u>
---------------	---------------------	------------------------

	<u>Distributed</u>	<u>Distributed</u>
<u>Period One</u>	<u>April 2017</u>	<u>September 2017</u>
<u>Period Two</u>	<u>April 2018</u>	<u>September 2018</u>
<u>Period Three</u>	<u>April 2019</u>	<u>September 2019</u>
<u>Period Four</u>	<u>April 2020</u>	<u>September 2020</u>

C. SB 1773 - PAYMENTS TO TRAUMA CENTERS

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

2. The initial fifteen percent (15%) of all SB 1773 funds collected by COUNTY 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 each Period, as reported to the County Emergency Medical Services Trauma Registry.

3. The hospital allocation of 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 each Period, as reported to the County Emergency Medical Services Trauma Registry.

a. If HOSPITAL CONTRACTOR is located within the borders of Orange County, HOSPITAL CONTRACTOR shall also be required to be a Medical Safety Net 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 each Period.

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

5. The estimated timelines for payment of SB 1773 Funds provided through this Agreement are as follows:

<u>Period</u>	<u>SB 1773 Distributed</u>
<u>Period One</u>	<u>September 2017</u>
<u>Period Two</u>	<u>September 2018</u>
<u>Period Three</u>	<u>September 2019</u>
<u>Period Four</u>	<u>September 2020</u>

D. COUNTY may withhold any or all of the funds specified in Paragraphs III.A. through III.DC. above, consistent with the regulations pertaining to the specific funding source, in order to recover any overpayments made of said funds to HOSPITAL CONTRACTOR in previous agreements or to recover funds due COUNTY from HOSPITAL CONTRACTOR 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~~ CONTRACTOR's failure to comply with the provisions of this Agreement.
2. ~~HOSPITAL~~ CONTRACTOR is found to be non-compliant with the conditions for receiving funds including, but not limited to, inability to document eligible expenditures.
3. Audit exceptions and/or fiscal disallowances by the state and/or COUNTY for funds received by ~~HOSPITAL~~ CONTRACTOR for services provided in accordance with this Agreement.
4. Recovery of any overpayments made in previous agreements between ~~HOSPITAL~~ CONTRACTOR and COUNTY for Indigent and Trauma Care Services.

~~—E. 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 Agreement, an amount not to exceed their actual administrative costs up to a maximum amount, as permitted by law, less that portion retained by COUNTY for its administrative fees, for staff services performed for Contracting Hospitals in support of this Agreement. Any payment to COUNTY's Fiscal Intermediary shall be made after payment to HASC for its administrative fees for staff services performed for Contracting Hospitals in support of this Agreement. Said payment to HASC and COUNTY's Fiscal Intermediary shall be deducted from the Administrative Allocation retained by COUNTY from the funding sources as specified herein and as permitted by law for administrative costs as specified in subparagraph III.A. through III.D. above. Such support includes, but is not limited to distribution of this Agreement to Contracting Hospitals for signature and return of signed Agreements to ADMINISTRATOR within sixty (60) calendar days of the execution of this Agreement.~~

IV. NEW PARTICIPANTS

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

#

#

#

#

#

#

#

#

#

EXHIBIT B
TO AGREEMENT FOR THE PROVISION OF
INDIGENT AND TRAUMA CARE
BETWEEN
COUNTY OF ORANGE
AND
«UC_NAME» «UC_DBA»
«HOSPITAL NAME»

JULY 1, 2014 2016 THROUGH JUNE 30, 2016 2020

I. ~~DISTRIBUTION~~ ALLOCATION OF TOBACCO SETTLEMENT REVENUE FUNDS

A. In accordance with County Codified Ordinance, Article 14, Division 4, Section 1-4-251(a)(5), the amount of TSR funds allocated to CONTRACTOR shall be based the amount of Charity Care-Other plus Bad Debts as reported to OSHPD in proportion to the total Charity Care-Other plus Bad Debts reported by all eligible Orange County Contracting Hospitals. The data used and calculations completed for each Period shall be in accordance with the timeframes specified in Paragraph III.A.2 of Exhibit A of the Agreement.

B. An estimated distribution of TSR Funds for Period One is as follows, which shall be amended to reflect the actual calculations in accordance Paragraph I.A.1 above:

Hospital by Corporate Ownership	Charity Care + Bad Debt	Percent Of Total	TSR Allocation
With at least one Disproportionate Share Hospital:			
CHILDREN'S HOSPITAL			
Children's Hospital at Mission	\$ 5,002,971	0.90%	\$13,735
Children's Hospital of Orange County	\$21,774,891	3.92%	\$59,781
SUBTOTAL CHILDREN'S HOSPITAL	\$26,777,862	4.82%	\$73,516
KPC HEALTHCARE INC.			
Anaheim Global Medical Center	\$ 8,136,924	1.47%	\$ 22,339
Chapman Global Medical Center	\$ 5,319,124	0.96%	\$ 14,603
Orange County Global Medical Center	\$40,966,575	7.38%	\$112,470
South Coast Global Medical Center	\$ 9,016,030	1.62%	\$ 24,753
SUBTOTAL KPC HEALTHCARE INC.	\$63,438,653	11.43%	\$174,165
//			
Hospital by Corporate Ownership	Charity Care	Percent	TSR

		<u>+ Bad Debt</u>	<u>Of Total</u>	<u>Allocation</u>
<u>11</u>	<u>With at least one Disproportionate Share Hospital (continued)</u>			
<u>22</u>	<u>PRIME HEALTHCARE</u>			
<u>33</u>	<u>Garden Grove Medical Hospital & Medical</u>			
<u>44</u>	<u>Center</u>	<u>\$ 27,764,457</u>	<u>5.00%</u>	<u>\$ 76,225</u>
<u>55</u>	<u>Huntington Beach Hospital and Medical Center</u>	<u>\$ 17,796,156</u>	<u>3.21%</u>	<u>\$ 48,858</u>
<u>66</u>	<u>La Palma Intercommunity Hospital</u>	<u>\$ 11,434,571</u>	<u>2.06%</u>	<u>\$ 31,393</u>
<u>77</u>	<u>West Anaheim Medical Center</u>	<u>\$ 35,250,094</u>	<u>6.15%</u>	<u>\$ 96,776</u>
<u>88</u>	<u>SUBTOTAL PRIME HEALTHCARE</u>	<u>\$ 92,245,278</u>	<u>16.62%</u>	<u>\$ 253,252</u>
<u>99</u>	<u>TENET HEALTHCARE</u>			
<u>100</u>	<u>Fountain Valley Regional Hospital & Medical</u>			
<u>111</u>	<u>Center</u>	<u>\$ 15,476,104</u>	<u>2.79%</u>	<u>\$ 42,488</u>
<u>122</u>	<u>Los Alamitos Medical Center</u>	<u>\$ 9,970,909</u>	<u>1.80%</u>	<u>\$ 27,374</u>
<u>133</u>	<u>Placentia Linda Hospital</u>	<u>\$ 4,778,437</u>	<u>0.86%</u>	<u>\$ 13,119</u>
<u>144</u>	<u>SUBTOTAL TENET HEALTH CARE</u>	<u>\$ 30,225,450</u>	<u>5.44%</u>	<u>\$ 82,981</u>
<u>155</u>	<u>With no Disproportionate Share Hospitals:</u>			
<u>166</u>	<u>AHMC</u>			
<u>177</u>	<u>AHMC Anaheim Regional Medical Center</u>	<u>\$ 16,892,951</u>	<u>3.04%</u>	<u>\$ 46,378</u>
<u>188</u>	<u>MEMORIALCARE HEALTH SYSTEMS</u>			
<u>199</u>	<u>Orange Coast Memorial Medical Center</u>	<u>\$ 11,806,810</u>	<u>2.13%</u>	<u>\$ 32,415</u>
<u>200</u>	<u>Saddleback Memorial Medical Center</u>	<u>\$ 27,116,447</u>	<u>4.88%</u>	<u>\$ 74,446</u>
<u>211</u>	<u>ST. JOSEPH HOAG HEALTH SYSTEM</u>			
<u>222</u>	<u>Hoag Memorial Hospital Presbyterian</u>	<u>\$ 42,400,406</u>	<u>7.64%</u>	<u>\$ 116,406</u>
<u>233</u>	<u>Mission Hospital</u>	<u>\$ 51,599,243</u>	<u>9.29%</u>	<u>\$ 141,661</u>
<u>244</u>	<u>St. Joseph Hospital - Orange</u>	<u>\$ 41,049,338</u>	<u>7.39%</u>	<u>\$ 112,697</u>
<u>255</u>	<u>St. Jude Medical Center</u>	<u>\$ 52,011,107</u>	<u>9.37%</u>	<u>\$ 142,792</u>
<u>266</u>	<u>UNIVERSITY OF CALIFORNIA</u>			
<u>277</u>	<u>This Exhibit B may be amended</u>			
<u>288</u>	<u>Regents of the University of CA - Irvine</u>	<u>\$ 99,598,710</u>	<u>17.94%</u>	<u>\$ 273,439</u>
<u>299</u>	<u>TOTAL ALL HOSPITALS</u>	<u>\$555,162,255</u>	<u>100.00%</u>	<u>\$1,524,148</u>
<u>300</u>	<u>C. This above distribution calculations may be amended by ADMINISTRATOR under one or more</u>			

of the following circumstances, and for each occurrence ADMINISTRATOR shall prepare an amended Paragraph I.B. of this Exhibit B to the Agreement. ~~HOSPITAL CONTRACTOR~~ agrees that said amended Paragraph shall be provided to HASC for distribution to all Orange County Contracting Hospitals.

1. Deletion of a Contracting Hospital participant in this Agreement
2. Addition of a new participant in this Agreement
3. Any change in corporate ownership of a Contracting Hospital
4. Any request of any Contracting Hospital's corporate ownership to reallocate funding among its Contracting Hospitals in accordance with COUNTY policy approved by the COUNTY's Board of Supervisors on November 9, 2010.

5. Any change in ~~HOSPITAL CONTRACTOR~~ eligibility for funding
6. Any change in Tobacco Settlement Revenue funds received by COUNTY
7. 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 which would in turn affect the distribution of Tobacco Settlement Revenue Funds specified herein.

#

#

#

#

#

#

#

#

#

#

#

#

//

//

//

//

//

//

//

//

//

//

~~B. Distribution of Tobacco Settlement Funds for Period One~~

	CHARITY CARE PLUS BAD DEBT	PERCENT OF TOTAL	TSR ALLOCATION
<u>HOSPITAL BY CORPORATE OWNERSHIP</u>			
8. Any loss of DSH Hospital status by a Contracting Hospital identified as DSH in this Agreement.			
<u>AHMC</u>			
— Anaheim Memorial/Anaheim Regional	\$35,096,880	5.29%	\$ 92,302
<u>CHILDREN'S HOSPITAL</u>			
— Children's Hospital at Mission	\$ 1,412,843	0.21%	\$ 3,716
— Children's Hospital of Orange County	4,374,789	0.66%	11,505
SUBTOTAL CHILDREN'S HOSPITAL	\$ 5,787,632	0.87%	\$ 15,221
<u>HOAG</u>			
— Hoag Memorial Hospital Presbyterian	\$51,757,489	7.80%	\$136,119
<u>IHHI</u>			
— Chapman Medical Center	\$ 5,237,381	0.79%	\$ 13,774
— Coastal Communities Hospital	11,801,741	1.78%	31,038
— WMC A Inc	10,571,950	1.59%	27,803
— WMC SA Inc	45,425,747	6.84%	119,467
SUBTOTAL IHHI	\$73,036,819	11.00%	\$192,082
<u>MEMORIAL</u>			
— Orange Coast Memorial Medical Center	\$20,470,637	3.08%	\$ 53,836
— Saddleback Memorial Medical Center	40,713,603	6.13%	107,074
SUBTOTAL MEMORIAL	\$61,184,240	9.22%	\$160,910
#			
#			
#			
#			
#			
#			
#			
CONTINUED:	CHARITY CARE PLUS	PERCENT OF TOTAL	TSR ALLOCATION

<u>11</u>	<u>HOSPITAL BY CORPORATE OWNERSHIP</u>	<u>BADDEBT</u>		
<u>22</u>				
<u>33</u>	<u>PRIME HEALTHCARE</u>			
<u>44</u>	— Prime Healthcare Garden Grove, LLC	\$ 34,437,328	5.19%	\$ 90,568
<u>55</u>	— Prime Healthcare Anaheim, LLC	48,988,372	7.38%	128,836
<u>66</u>	— Prime Healthcare Huntington Beach	23,400,520	3.52%	61,542
<u>77</u>	— Prime Healthcare La Palma, LLC	15,377,713	2.32%	40,442
<u>88</u>	SUBTOTAL PRIME HEALTHCARE	\$122,203,933	18.41%	\$ 321,388
<u>99</u>				
<u>100</u>	<u>ST. JOSEPH HEALTH SYSTEM</u>			
<u>111</u>	— Mission Hospital Regional Medical Center	\$ 39,911,143	6.01%	\$ 104,964
<u>122</u>	— St. Joseph Hospital	77,189,753	11.63%	203,004
<u>133</u>	— St. Jude Hospital, Inc.	52,167,272	7.86%	137,196
<u>144</u>	SUBTOTAL ST. JOSEPH HEALTH	\$169,268,168	25.50%	\$ 445,164
<u>155</u>				
<u>166</u>	<u>TENET</u>			
<u>177</u>	— Fountain Valley Regional Hospital and			
<u>188</u>	— Medical Center	\$ 22,099,109	3.33%	\$ 58,119
<u>199</u>	— Los Alamitos Medical Center	11,309,987	1.70%	29,744
<u>200</u>	— Placentia Linda Hospital	5,596,368	0.84%	14,718
<u>211</u>	SUBTOTAL TENET	\$ 39,005,464	5.88%	\$ 102,581
<u>222</u>				
<u>233</u>	<u>UNIVERSITY OF CALIFORNIA</u>			
<u>244</u>	— Regents of the University of CA—Irvine	\$106,539,956	16.05%	\$ 280,193
<u>255</u>				
<u>266</u>	TOTAL ALL HOSPITALS	\$663,880,581	100.00%	\$1,745,960

277 — C. The parties agree that information pertaining to Charity Care/Other and Bad Debts was obtained
288 from the Office of Statewide Health Planning and Development (OSHDP), Last Four Quarters Ending
299 September 30, 2013.
300

311 D. The parties agree that a distribution table for Period Two, Period Three, and Period Four shall be
322 calculated based on that information pertaining to Charity Care/Other and Bad Debts was obtained from
333 the Office of Statewide Health Planning and Development (OSHDP), Last Four Quarters Ending
344 September 30, 2014. ADMINISTRATOR shall distribute the allocations of TSR Funding for Period Two
355 to all Contracting Hospitals by May 30, 2015 completed in accordance Paragraph III.A. of Exhibit A to
366 the Agreement.

377 E. The parties agree that until the TSR Funds are actually received by COUNTY, the amount of

Tobacco Settlement Revenue is estimated and based on the budget approved by Orange County Board of Supervisors each Fiscal Year.

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

G. The parties agree that corporate ownership of Contracting Hospitals may request the initial allocation of TSR Funding of any of its Contracting Hospitals to be reallocated to any or all of the corporate ownership's other Contracting Hospitals. ADMINISTRATOR shall approve or deny such requests in accordance with the policy approved by the COUNTY Board of Supervisors on ~~October 19~~ November 9, 2010. Approved requests shall be reflected in the ~~Revised TSR Allocation column in Paragraph B above~~ amended distribution table for the applicable Period(s).

II. ~~OPTIONAL ALTERNATIVES FOR~~ DISTRIBUTION OF TSR FUNDS – NON-DSH HOSPITALS

A. ~~HOSPITAL may requested a portion of its TSR Allocation,~~ If CONTRACTOR is within a corporate ownership system that has no DSH Hospitals, payment to CONTRACTOR should be made within approximately thirty (30) calendar days of ADMINISTRATOR's finalization of the distribution calculations for each Period as specified in Paragraph ~~I.B above, be sent to the California Department of Health Care Services (CDHCS) through a separate Intergovernmental Transfer~~ III.A.2 of Exhibit A to the Agreement.

B. ~~(IGT) with~~ Payment of TSR Funds shall not exceed TSR Funds received and designated by COUNTY for Contracting Hospitals for each Period.

C. Payments made to CONTRACTOR shall not exceed the value of care given as reported by Hospitals to OSHPD for the applicable Period. If CONTRACTOR is a DSH Hospital, or is within a corporate ownership system that has one (1) or more DSH Hospitals, payment to CONTRACTOR shall be made in accordance with Paragraph III below.

III. DISTRIBUTION OF TSR FUNDS – DSH HOSPITALS

A. Contracting Hospitals that are DSH Hospitals are eligible for payments from the Private Hospital Supplemental Fund (PHSF) established pursuant to WIC Section 14166.12(b) which is administered by DHCS for the provision of Medi-Cal services.

1. TSR Funds allocated to DSH Hospitals qualify as public funds which may be transferred from COUNTY, through an IGT, to DHCS for deposit into the PHSF pursuant to CFR, Title 42, Section 433.51 and WIC Section 14166.12(e).

2. Pursuant to Welfare and Institutions (W&I) Code 14166.12(f), DHCS shall utilize the funds provided by COUNTY to obtain federal financial participation to the full extent permitted by law for deposit into the PHSF, which COUNTY anticipates to be an amount equal to the amount of the IGT.

3. Contracting Hospitals must be identified by DHCS in the State Plan Amendment (SPA) to receive

supplemental payments from the PHSF and, unless a Contracting Hospital loses DSH status.

a. The list of hospitals in the SPA may not be modified unless expressly allowed by DHCS.

b. ~~Policy adopted by~~ DHCS has established 3-year payment cycles for the SPA. For the purposes of this Agreement, these cycles shall be referenced as follows:

1) "Cycle 1" means payments made by DHCS to DSH Hospitals from the PHSF for FY 2015-16, FY 2016-17 and FY 2017-18. Cycle 1 is included in SPA-15-003. Further, the following Contracting Hospitals are also specified in SPA-15-003 and have agreed to the use of their TSR funds for the IGT as specified in this Exhibit B.

a) Children's Hospital of Orange County

b) Anaheim Global Medical Center

c) Orange County Global Medical Center

d) South Coast Global Medical Center

e) Garden Grove Hospital and Medical Center

f) Fountain Valley Regional Hospital and Medical Center

2) "Cycle 2" means payments made by DHCS to DSH Hospitals from the PHSF for FY 2018-19, FY 2019-20 and FY 2020-21 to be specified by DHCS in the SPA for that period. Contracting Hospitals eligible to receive supplemental payments from the PHSF for Cycle 2 may also agree to the use of their TSR funds for the IGT as specified in this Exhibit B and; provided, however, that the Contracting Hospital agrees to participate in each year of the Cycle unless otherwise allowed by DHCS. ADMINISTRATOR shall provide a list of hospitals participating in Cycle 2 based on the addition or deletion of DSH Hospitals and/or changes in hospitals under corporate ownership, and/or a Contracting Hospital's concurrence to participate in the PHSF.

B. In accordance with COUNTY policy approved by the COUNTY's Board of Supervisors on November 9, 2010, for the purposes of maximizing federal financial participation, and therefore, supplemental payments from the PHSF, Contracting Hospitals that are not DSH Hospitals, but are within a corporate ownership system that has one (1) or more DSH Hospitals, may reallocate all or a portion of their TSR allocation to a DSH Hospital within the same corporate ownership.

1. For Cycle 1, the following Contracting Hospitals are not DSH Hospitals, but are within a corporate ownership system that has one (1) or more DSH Hospitals. ADMINISTRATOR shall update this list in relation to DSH Hospitals receiving supplemental payments from the PHSF for Cycle 2 based on the addition or deletion of DSH Hospitals and/or changes in hospitals under corporate ownership, and/or a Contracting Hospital's concurrence to participate in the PHSF.

a. Children's Hospital at Mission

b. Chapman Global Medical Center

c. Huntington Beach Hospital and Medical Center

d. La Palma Intercommunity Hospital

e. West Anaheim Medical Center

f. Los Alamitos Medical Center

g. Placentia Linda Hospital

2. For Cycle 1, the following Contracting Hospital have agreed to the reallocation of their TSR Funds to the specified DSH Hospitals within the same corporate ownership as follows. ADMINISTRATOR shall update this list in relation to DSH Hospitals receiving supplemental payments from the PHSF for Cycle 2.

TSR Funds Reallocated From:

Children's Hospital at Mission

Chapman Global Medical Center

Huntington Beach Hospital & Medical Center

La Palma Intercommunity Hospital

West Anaheim Medical Center

Los Alamitos Medical Center

Placentia Linda Hospital

TSR Funds Reallocated To:

Children's Hospital of Orange County

Orange County Global Medical Center

Garden Grove Hospital & Medical Center

Garden Grove Hospital & Medical Center

Garden Grove Hospital & Medical Center

Fountain Valley Reg. Hospital & Medical Center

Fountain Valley Reg. Hospital & Medical Center

//

//

//

C. IGT – CYCLE 1

1. The ~~Said amount of the TSR Allocation shall not be paid to HOSPITAL~~ parties agree that, in accordance with direction from DHCS:

a. ADMINISTRATOR did not provided sufficient notice to DHCS of its intent to complete an IGT to allow for CONTRACTOR's participation in the FY 2015-16 PHSF using actual FY 2014-15 TSR Funds received.

b. In order to participate in the FY 2016-17 PHSF and FY 2017-18 PHSF of Cycle 1, COUNTY and CONTRACTOR agreed to commit to a specified amount of funding for each year.

1) The actual amount of FY 2014-15 TSR Funds that would have been included in the IGT for participation in the FY 2015-16 PHSF is \$648,264. The parties agreed that the actual amount of FY 2014-15 TSR Funds would be specified as the IGT amount available for each year of Cycle 1.

2) DHCS has agreed, and has included in SPA-15-003, that the FY 2014-15 TSR Funds identified by COUNTY shall be added to the FY 2015-16 TSR Funds specified for participation in the FY 2016-17 PHSF for a total of \$1,296,528.

3) The parties agree there are a number of variables that can impact the actual amount of TSR allocated to each Contracting Hospital each fiscal year, and these variables may cause the actual allocation for FY 2015-16 and FY 2016-17 to vary from the amount committed to send to DHCS.

4) CONTRACTOR has agreed to the IGT reconciliation process, as specified in this Exhibit B, following the end of Cycle 1 to balance any adjustments to CONTRACTOR's TSR allocation

during Cycle 1 required to meet the IGT commitments.

2. COUNTY, on behalf of CONTRACTOR, agrees that COUNTY, through ~~this Agreement.~~
~~B. If~~ an IGT, shall transfer its TSR Fund allocation to DHCS in accordance with the following schedule for Cycle 1:

<u>Period</u>	<u>TSR Year</u>	<u>Amount</u>	<u>PHSF Year</u>	<u>IGT Date</u>	<u>PHSF Payment to Hospital</u>
<u>Prior Agreement</u>	<u>FY 2014-15</u>	<u>\$648,264</u>	<u>FY 2016-17</u>	<u>March, 2017</u>	<u>April, 2017</u>
<u>Prior Agreement</u>	<u>FY 2015-16</u>	<u>\$648,264</u>	<u>FY 2016-17</u>	<u>March, 2017</u>	<u>April, 2017</u>
<u>Period 1</u>	<u>FY 2016-17</u>	<u>\$648,264</u>	<u>FY 2017-18</u>	<u>March, 2018</u>	<u>April, 2018</u>
	<u>Total Cycle 1:</u>	<u>\$1,944,792</u>			

3. The amount of the IGT and the federal financial participation shall be collectively referred to as the "Total Deposit."

a. DHCS shall distribute, as a supplemental payment from the PHSF, an amount equal to seventy-five percent (75%) of the Total Deposit to the Contracting Hospitals that are DSH.

//

b. COUNTY shall recommend to DHCS that CONTRACTOR also receive its portion of the twenty-five percent (25%) balance of the Total Deposit in the supplemental payment from the PHSF. CONTRACTOR understands that COUNTY may only make a recommendation regarding these funds and that final determination regarding distribution of the twenty-five percent (25%) balance rests with DHCS.

c. The actual FY 2014-15 TSR Fund distribution to DSH hospitals and hospitals within the same corporate ownership, and the projected supplemental payment at one hundred percent (100%) from the PHSF, is as follows, and for the purposes of the IGT, shall be the amounts deemed allocated to CONTRACTOR for FY 2015-16 and FY 2016-17, pending IGT reconciliation.

<u>Hospital by Corporate Ownership</u>	<u>IGT Transfer Amount</u>	<u>Supplemental PHSF Payment</u>
<u>CHILDREN'S HOSPITAL</u>		
<u>Children's Hospital at Mission</u>	<u>\$ 16,050</u>	<u>\$ 0</u>
<u>Children's Hospital of Orange County</u>	<u>\$ 56,937</u>	<u>\$ 145,974</u>
<u>SUBTOTAL CHILDREN'S HOSPITAL</u>	<u>\$ 72,987</u>	<u>\$ 145,974</u>

KPC HEALTHCARE INC.

11	Anaheim Global Medical Center	\$ 26,018	\$ 52,036
22	Chapman Global Medical Center	\$ 12,840	\$ 0
33	Orange County Global Medical Center	\$111,508	\$ 248,696
44	South Coast Global Medical Center	\$ 29,060	\$ 58,120
55	SUBTOTAL KPC HEALTHCARE INC.	\$179,426	\$ 358,852
66			
77	PRIME HEALTHCARE		
88	Garden Grove Medical Hospital & Medical Center	\$ 84,644	\$ 600,450
99	Huntington Beach Hospital and Medical Center	\$ 57,443	\$ 0
100	La Palma Intercommunity Hospital	\$ 37,845	\$ 0
111	West Anaheim Medical Center	\$120,293	\$ 0
122	SUBTOTAL PRIME HEALTHCARE	\$300,225	\$ 600,450
133			
144	TENET HEALTHCARE		
155	Fountain Valley Regional Hospital & Medical Center	\$ 54,233	\$ 191,252
166	Los Alamitos Medical Center	\$ 27,708	\$ 0
177	Placentia Linda Hospital	\$ 13,685	\$ 0
188	SUBTOTAL TENET HEALTHCARE	\$95,626	\$ 191,252
199			
200	Total FY 2014-15 TSR Allocation	\$648,264	\$1,296,528

211 D. IGT – CYCLE 2

222 1. In order to participate in Cycle 2 of the PHSF, the parties agree to assume DHCS will require
 233 COUNTY and CONTRACTOR to commit to a specified amount of funding for each PHSF year included
 244 in Cycle 2 and for the purposes of this Agreement, further agree to assume that Cycle 2 will be comprised
 255 three (3) years: FY 2018-19, FY 2019-20, and FY 2020-21.

266 2. CONTRACTOR agrees the FY 2017-2018 TSR Funds resulting from the IGT Reconciliation
 277 of Cycle 1 shall be the amount specified to DHCS for the FY 2018-19 PHSF.

288 3. CONTRACTOR agrees the FY 2018-19 TSR Funds and the FY 2019-20 TSR Funds shall
 299 be equal to the amount of FY 2017-18 TSR Funds prior to the IGT Reconciliation from Cycle 1 and shall
 300 be the amounts specified to DHCS for the FY 2019-20 PHSF and FY 2020-21 PHSF, respectively.

311 a. The parties agree there are a number of variables that can impact the actual amount of
 322 TSR allocated to each Contracting Hospital each fiscal year, and these variables may cause the actual
 333 allocation for FY 2018-19 and FY 2019-20 to vary from the amount committed to send to DHCS.

344 b. CONTRACTOR has agreed to the IGT reconciliation process, as specified in this Exhibit
 355 B, following the end of Cycle 2 to balance any adjustments to CONTRACTOR's TSR allocation during
 366 Cycle 2 required to meet the IGT commitments.

377 4. COUNTY, on behalf of CONTRACTOR, agrees that COUNTY, through an IGT, shall

transfer its TSR Fund allocation to DHCS in accordance with the following schedule for Cycle 2, which shall be updated by ADMINISTRATOR following the IGT reconciliation of Cycle 1:

<u>Period</u>	<u>TSR Year</u>	<u>Amount</u>	<u>PHSF Year</u>	<u>IGT Date</u>	<u>PHSF Payment to Hospital</u>
<u>Period 2</u>	<u>FY 2017-18</u>	<u>Reconciled</u>	<u>FY 2018-19</u>	<u>March, 2019</u>	<u>April, 2019</u>
<u>Period 3</u>	<u>FY 2018-19</u>	<u>Estimated</u>	<u>FY 2019-20</u>	<u>March, 2020</u>	<u>April, 2020</u>
<u>Period 4</u>	<u>FY 2019-20</u>	<u>Estimated</u>	<u>FY 2020-21</u>	<u>March, 2021</u>	<u>April, 2021</u>
	<u>Total Cycle 2:</u>	<u>TBD</u>			

5. The amount of the IGT and the federal financial participation shall be collectively referred to as the "Total Deposit."

a. DHCS shall distribute, as a supplemental payment from the PHSF, an amount equal to seventy-five percent (75%) of the Total Deposit to the Contracting Hospitals that are DSH.

b. COUNTY shall recommend to DHCS that CONTRACTOR also receive its portion of the twenty-five percent (25%) balance of the Total Deposit in the supplemental payment from the PHSF. CONTRACTOR understands that COUNTY may only make a recommendation regarding these funds and that final determination regarding distribution of the twenty-five percent (25%) balance rests with DHCS.

c. ADMINISTRATOR shall update, and distribute to CONTRACTOR and HASC, the table in subparagraph III.C.3.c of this Exhibit B to the Agreement to reflect the amounts specified for Cycle 2.

E. IGT - RECONCILIATION

1. For each year of each Cycle, ADMINISTRATOR shall compare the actual amount of TSR allocated to DSH Hospitals and their non-DSH Hospital partners within the same corporate ownership, calculated in accordance with Paragraph III.A.2 of Exhibit A of the Agreement, to the IGT commitment made for each year of each Cycle. ADMINISTRATOR shall distribute these calculations to CONTRACTOR and HASC.

2. If the total of actual calculated TSR Funds to be distributed to all Contracting Hospitals within the same corporate ownership is greater than the total of the IGT amount specified for the corresponding PHSF period, ADMINISTRATOR shall retain the difference between the TSR Fund amount calculated and the amount committed to DHCS until each year within a Cycle is reconciled. Following the end of the Cycle, if the total off all three (3) reconciled years results in a TSR amount that is greater than the total of the three (3) IGT amounts specified for the Cycle, the difference shall be added to the first year of the next Cycle, or paid to the applicable Contracting Hospitals within the corporate ownership as determined by CONTRACTOR.

3. If the total of actual calculated TSR Funds to be distributed to all Contracting Hospitals within the same corporate ownership is less than the total of the IGT amount specified for the corresponding PHSF period, ADMINISTRATOR shall, in an amount equal to the difference between the TSR Fund amount calculated and the amount committed to DHCS until each year within a Cycle is reconciled, allocate a portion of the next Fiscal Year's budgeted TSR Funds to the DSH Hospital to ensure the IGT commitment to DHCS is satisfied. Following the end of the Cycle, if the total off all three (3) reconciled years results in a TSR amount that is less than the total of the three (3) IGT amounts specified for the Cycle, the difference shall be deducted from the first year of the next Cycle. The subsequent years of the next Cycle shall then be adjusted to be equal to the amount first year funds prior to the IGT Reconciliation from previous Cycle.

4. Effective with the amounts identified for the FY 2018-19 IGT, the conditions and requirements for any calculations and/or reconciliations shall be consistent the procedures specified in this Exhibit B.

F. Should DHCS discontinue supplemental payments from the PHSF using the IGT process, or CONTRACTOR elects to not participate in the PHSF, TSR payments to CONTRACTOR shall administered in the same manner as TSR payment to Contracting Hospitals that are non-DSH Hospitals

G. ~~IGT Agreement is approved by the BOS, HOSPITAL shall be~~ CONTRACTOR shall agree to the following as a condition of receiving supplemental payments from DHCS through the PHSF:

1. Operate as an acute care hospital for Medi-Cal patients, regardless of ability to pay, and continually meet all applicable standards established in Title 22 as they now exist or may be hereafter amended.

2. Maintain Basic Emergency Medical Services, or Comprehensive Emergency Medical Services, as provided for in Title 22, Sections 70411 et seq. through December 31 following supplemental payment from the PHSF.

3. Provide Basic Emergency Medical Services, or Comprehensive Emergency Medical Services, and other hospital services to all patients, including Medi-Cal patients, regardless of age or ability to pay, through December 31 following supplemental payment from the PHSF.

4. Submit relevant and pertinent data as requested by OCEMS that complies with state and local Emergency Medical Services data requirements.

5. Agree that no portion of funds received by CONTRACTOR from DHCS as a result of the IGT approved by this Agreement shall be returned to any governmental or quasi-governmental agency, including COUNTY. Therefore, CONTRACTOR shall exempt from the provisions of the Inspections and Audit Paragraph ~~H.F of Exhibit A to~~ this Agreement ~~for the Transfer Amount~~ as it pertains to returning to COUNTY any portion of the TSR Funds transferred to DHCS through an IGT.