

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



Contract Number

22-555

SAP Number

### Arrowhead Regional Medical Center

<b>Department Contract Representative</b>	<u>William L. Gilbert</u>
<b>Telephone Number</b>	<u>(909) 580-6150</u>
<b>Contractor</b>	<u>California Hospital Quality Institute</u>
<b>Contractor Representative</b>	<u>Scott V. Masten</u>
<b>Telephone Number</b>	<u>(916) 552-7557</u>
<b>Contract Term</b>	<u>July 1, 2022 through June 30, 2027</u>
<b>Original Contract Amount</b>	<u>Non-Financial</u>
<b>Amendment Amount</b>	<u></u>
<b>Total Contract Amount</b>	<u>Non-Financial</u>
<b>Cost Center</b>	<u>8615</u>

**Briefly describe the general nature of the contract:** Service Agreement with the California Hospital Quality Institute, including non-standard terms, for the provision of the Hospital Quality Improvement Platform, to allow ARMC to measure its performance in areas such as patient safety and quality improvement activities compared to other hospitals statewide, with a contract term of July 1, 2022 through June 30, 2027.

**FOR COUNTY USE ONLY**

Approved as to Legal Form

▶ Bonnie Uphold  
Bonnie Uphold, Deputy County Counsel

Date 6-17-2022

Reviewed for Contract Compliance

▶ \_\_\_\_\_

Date \_\_\_\_\_

Reviewed/Approved by Department

▶ William L. Gilbert  
William L. Gilbert

Date 6/21/22

## SERVICE AGREEMENT

This Service Agreement (“**Agreement**”), effective as of the date shown below (“**Effective Date**”), is made and entered into by and among California Hospital Quality Institute (“**HQI**”), a California not-for-profit corporation, and San Bernardino County, a political subdivision of the State of California operating a hospital or surgery center (“**County**”), on behalf of the hospital(s) listed in **Exhibit A** (whether single or multiple, hereafter, “**Hospital**”), which is a member of the California Hospital Association or one of its affiliates. (HQI and County are herein individually sometimes referred to as “**Party**” collectively as “**Parties**”).

1. **Term of Agreement.** This Agreement shall take effect beginning on the Effective Date July 1, 2022, through and including Termination Date June 30, 2027, unless sooner terminated as set forth below.
2. **Services Provided by HQI.** In consideration of the compensation described in Paragraph 3 below, HQI will provide the services and deliverables, if any, (individually and collectively “**Services**”) set forth in **Exhibit B** attached hereto and incorporated herein by this reference.
3. **Compensation.** HQI’s compensation for the Services, and HQI’s entitlement to reimbursement for expenses incurred in connection therewith, if any, are set forth in **Exhibit C (Compensation)** attached hereto and incorporated herein by this reference.
4. **HQI’s Standard of Conduct.** In performing Services under this Agreement, HQI shall conform to high professional standards of work and business ethics and shall act in compliance with all applicable federal, state, and local laws, regulations, and codes. HQI shall not use time, materials, or equipment of Hospital without the prior written consent of County. All Services must be satisfactory in the reasonable opinion of County.
5. **Use of Outside Services.** HQI has engaged or will engage the services of any other person, entity, or organization (individually and collectively, “**Third Party**”) in the performance of the Services, in which case HQI has required or will require such Third Party to be bound by the applicable provisions of this Agreement, including the applicable provisions of its Confidentiality provision (below) and attendant Business Associate Agreement, attached to this Agreement as **Exhibit D** and incorporated herein by this reference. The current agreement between HQI and such Third Party, effective as of the date hereof, is attached to this Agreement as **Exhibit E**. County shall be a third party beneficiary to the agreement attached as **Exhibit E** between HQI and Third Party, and County shall have the right to enforce such agreement directly to the extent it may deem such enforcement necessary or advisable to protect its rights hereunder.

6. **Confidentiality.** During and after the term of this Agreement, HQI agrees to maintain as strictly confidential, and not to disclose or use for the benefit of HQI or any third party, either directly or indirectly, any Confidential Information, as hereinafter defined, obtained from County or developed in the course of and by virtue of the Services.

6.1 **Confidential Information.** "Confidential Information" means information not generally known and which is proprietary to County, including, without limitation, all data, proprietary information, trade secrets, reports, questionnaires, lists, concepts, techniques, materials, evaluations, processes, development or research work, or any other information or proprietary aspects of the business or activities of County provided by Hospital to HQI to assist in HQI's performance of this Agreement.

6.2 **Limitations on Confidential Information.** Confidential Information does not include information that is:

6.2.1 Publicly known at the time of disclosure or subsequently becomes publicly known through no fault of HQI;

6.2.2 Discovered or created by HQI before disclosure by Hospital;

6.2.3 Learned by HQI through legitimate means other than from Hospital or Hospital representatives; or

6.2.4 Disclosed by HQI with County's prior written approval.

6.3 **Property of County.** HQI agrees that all reports, manuals, documents, and specific material developed and delivered by HQI for Hospital in connection with the services are and shall remain the property of County subject to any applicable intellectual property rights of HQI.

7. **[Intentionally omitted.]**

8. **Injunctive Relief.** The Parties acknowledge that the terms of paragraphs 6 and 7 of this Agreement are reasonably necessary to protect the legitimate interests of the respective Parties, are reasonable in scope and duration, and are not unduly restrictive. The Parties therefore agree that each shall be entitled to seek all equitable relief, including, but not limited to, injunctive relief, as well as any other remedy that may be available under any applicable law or this Agreement between the Parties.

9. **Independent Contractor.** HQI is an independent contractor and not an employee, partner, or co-venturer of, or in any other service relationship with, County. The manner in which HQI's services are rendered shall be within HQI's sole control and discretion. HQI is not authorized to speak for, represent, or obligate County in any manner without prior express written authorization from an authorized representative of County.

9.1 **Taxes.** HQI shall be solely responsible for all taxes arising from compensation and other amounts paid under this Agreement, including, but not limited to, payroll taxes and fringe benefits of HQI's employees, if any. Neither federal, state, nor local income tax nor payroll tax of any kind, shall be withheld or paid by County on behalf of HQI or HQI's employees or contractors. HQI understands that HQI is responsible to pay, according to law, HQI's taxes, if any.

9.2 **Benefits.** HQI and HQI's employees and contractors, if any, will not be eligible for, and shall not participate in, any employee pension, health, welfare, or other fringe benefit plan of County. No workers' compensation insurance shall be obtained by County covering HQI or HQI's employees or contractors, if any.

10. **Termination of Agreement.** During its term, this Agreement may be terminated as follows:

10.1 Either Party may terminate the Agreement upon ten (10) business days' written notice to the other Party ("Breaching Party") in the event (1) the Breaching Party fails to perform, or has made or makes any inaccuracy in, or otherwise materially breaches, any of its obligations, covenants or representations under or in connection with this Agreement, and (2) the failure, inaccuracy, or breach continues for a period of seven (7) business days after the injured Party delivers notice to the Breaching Party reasonably detailing the breach.

10.2 Either Party may terminate the Agreement with immediate effect upon giving written notice under the following circumstances:

10.2.1. If the other Party becomes insolvent, bankrupt, or enters receivership, dissolution, or liquidation; or

10.2.2. If any law or regulation exists or is enacted or issued that makes the performance of the terms of this Agreement illegal or otherwise prohibited or any governmental authority issues an order restraining or enjoining the activities contemplated under this Agreement.

10.3 The Parties may terminate this Agreement at any time upon mutual agreement.

10.4 [Intentionally omitted.]

10.5 Either Party may at any time and for any reason, terminate this Agreement upon thirty (30) days' written notice to the other Party. Upon receipt of such notice by the receiving Party, HQI shall, unless the notice directs otherwise, immediately discontinue the work contemplated by the Agreement and the placing of orders or contracts for materials, facilities or services in connection with the performance of this Agreement.

**11. Equal Employment Opportunity.** This contract is subject to the provisions of (i) Executive Order 11246, (41 CFR 60-1.4); (ii) section 503 of the Rehabilitation Act of 1973, (41 CFR 60-741.5(a); and (iii) section 4212 of the Vietnam Era Veterans Readjustment Act of 1974, (41 CFR 60-300.5(a). This contractor and subcontractor shall abide by the requirements of 41 CFR 60-741.5(a) and 41 CFR 60-300.5(a). These regulations prohibit discrimination against qualified individuals on the basis of disability, and qualified protected veterans, and require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities, and qualified protected veterans.

**12. General Provisions.**

**12.1 Construction of Terms.** This Agreement shall be deemed the joint work product of the Parties and may not be construed against either Party as drafted. Captions are for convenience only and shall not be construed to define, limit or affect the construction or interpretation of this Agreement. If any provision of this Agreement is held unenforceable by a court of competent jurisdiction, that provision shall be severed and shall not affect the validity or enforceability of the remaining provisions.

**12.2 Governing Law.** This Agreement is entered into and shall be performed in the State of California. This Agreement shall be governed by and construed in accordance with the internal laws (and not the laws regarding conflict of laws) of the State of California.

**12.3 Jurisdiction and Venue.** Each Party hereby irrevocably consents to the exclusive jurisdiction and venue of any state or federal court located within Sacramento County, State of California, in connection with any matter arising out of this Agreement or the transactions contemplated under this Agreement. Any arbitration in connection with this Agreement shall occur in Sacramento County unless the Parties jointly agree to another location.

**12.4 Complete Agreement.** This Agreement constitutes the complete agreement and sole understanding of the Parties as to the subject matter of this Agreement and supersedes all prior discussions and understandings with respect to the subject of this Agreement, whether written or oral.

**12.5 [Intentionally omitted.]**

**12.6 Modification.** No amendment, modification, or termination of this Agreement, or any provision thereof, shall be valid unless in writing signed by the Party against whom the same is sought to be enforced.

**12.7 Waiver of Breach.** The waiver by a Party of a breach of any provision of this Agreement by the other Party shall not operate or be construed as a waiver of any other

or subsequent breach by the Party in breach.

12.8 **Successors and Assigns.** This Agreement may not be assigned by either Party without the prior written consent of the other Party; provided, however, that the Agreement shall be assignable by County without HQI's consent in the event Hospital is acquired by or merged into another corporation or business entity that is a member of the California Hospital Association or one of its affiliates. The benefits and obligations of this Agreement shall be binding upon and inure to the Parties hereto, their successors and assigns.

13. **Insurance.** HQI shall secure and maintain throughout the Agreement term the types of insurance with limits as shown and in accordance with the requirements set forth in Exhibit F, as attached hereto and incorporate herein.

14. **Entire Agreement.** This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The Parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other email transmission), which signature shall be binding on the Party whose name is contained therein. Each Party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

IN WITNESS WHEREOF, this Agreement is executed by each of the Parties as of the date set forth below:

**SAN BERNARDINO County on behalf of Arrowhead Regional Medical Center**

By: *Dawn M. Rowe*  
Name: ~~Gurt Hagman~~ Dawn M. Rowe  
Title: ~~Chairman~~ <sup>vice Chair</sup> Board of Supervisors  
Date: JUN 28 2022

**HOSPITAL QUALITY INSTITUTE**

By: *Robert Imhoff*  
Name: Robert Imhoff  
Title: President  
Date: 5/10/2022

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD LYNNA MONELL Clerk of the Board of Supervisors of the County of San Bernardino

By: *Lynna Monell*  
Deputy

**EXHIBIT A**

Hospital Name	HCAI ID	CMS CCN	NHSN ID
Arrowhead Regional Medical Center	106364231	050245	12689

## EXHIBIT B

### Services

**Statement of Work Number: 01**

**Project Name: Hospital Quality Improvement Platform (HQIP)**

**Date: July 1, 2022 \_ (“Effective Date”)**

This Statement of Work is entered into in connection with the Services Agreement between HQI and San Bernardino County (“**County**”) on behalf of Arrowhead Regional Medical Center (“**Hospital**”) effective July 1, 2022 (the “**Agreement**”). Capitalized terms not defined here shall have the meaning set forth in the Agreement. Incorporated in the Agreement as **Exhibit D (Business Associate Agreement)** is a Business Associate Agreement (the “**BAA**”) pursuant to which HQI and its subcontractor(s) (each a “**Vendor**”; a copy of HQI’s agreement with its current Vendor, SpeedTrack, Inc. has been provided to County, and County acknowledges and agrees that Vendor shall serve as a business associate of Hospital under the Agreement. HQI shall provide County with a copy of HQI’s agreement with each new Vendor within thirty (30) days after execution of such agreement, as well as amendments to HQI’s agreement with its current Vendor.

#### **SUMMARY OF WORK AND STEPS TO BE PERFORMED FOR THE SERVICES:**

1. County has engaged HQI to utilize HQI’s data collection, quality analysis, health service analysis, reporting (including to third parties as permitted) and evaluation services (the “**Services**”) in an effort to improve the quality of care delivered at the Hospital, and ultimately improving the patient care delivery system and/or public health in general.
2. Hospital will use best efforts to cooperate with HQI’s data collection in connection with the Services, including, but not limited to, enrolling in the Hospital Quality Improvement Platform (“**HQIP**”) developed by HQI and Vendor to remove Prohibited Information, as defined below, and to provide statistical analyses reports to Hospital. The data described in subsections 3.a (AB 2876 Data) and 3.b (SIERA Data), below, are collectively referred to as the “**Data**”.
3. AB 2876 Data and SIERA Data:
  - a. **AB 2876 Data:** Upon Hospital’s enrollment in HQIP, Hospital shall request from the California Department of Health Care Access and Information (“**HCAI**”) confidential Hospital Discharge Abstract Data Records for inpatient discharge, emergency department, and ambulatory surgery collected in the SIERA Patient-Level Administrative Data format (“**AB 2876 Data**”) for the most recent three (3) years, for a total of nine (9) data files. In making such request to HCAI, Hospital shall provide to HCAI a copy of the Agreement and the BAA which will permit Hospital to provide AB 2876 Data to Vendor. Each year thereafter, Hospital shall request and obtain from HCAI the AB 2876 Data released by HCAI, for a total of

three (3) data files per year. Hospital then shall disclose to Vendor the AB 2876 Data pursuant to Assembly Bill 2876 and Health and Safety Code § 128766.

- b. **SIERA Patient-Level Administrative Data:** Upon Hospital's enrollment in HQIP, Hospital shall disclose to Vendor all Hospital Discharge Abstract Data Records for inpatient discharge, emergency department, and ambulatory surgery collected in the SIERA Patient-Level Administrative Data format that Hospital has already sent to HCAI ("**SIERA Data**"). The first such submission shall be for the period from the date of the last AB 2876 Data released by HCAI through Hospital's date of enrollment in HQIP. Thereafter, Hospital shall disclose to Vendor all SIERA Data following every subsequent submission of SIERA Data to HCAI. Hospital shall disclose to Vendor inpatient discharge data files at least every six (6) months and emergency department and ambulatory surgery data files at least every three (3) months, for a minimum of ten (10) files per year. Hospital shall not send to Vendor any SIERA Data that is less than 90 days old in compliance with the August 1996 Statements of Antitrust Enforcement Policy in Health Care issued by the Department of Justice and Federal Trade Commission.
- c. Given that the AB 2876 Data and the SIERA Data contain Protected Health Information ("**PHI**") and other confidential information, whose use may be restricted pursuant to federal, state and other regulations, including the Health Insurance Portability and Accountability Act of 1996 ("**HIPAA**"), HQI will not receive the AB 2876 Data and the SIERA Data directly from Hospital, but will receive it through Vendor, which will remove all PHI which is not minimally necessary to HQI's legitimate purposes, as well as all ICD-9 and ICD-10 codes for HIV disease and all prenatal blood test results (collectively, the "**Prohibited Information**").
- d. Pursuant to the BAA, County will permit Vendor to act on County's behalf to remove the Prohibited Information and non-minimally necessary PHI before delivering it to HQI. Pursuant to Vendor's own agreement with HQI, Vendor is contractually bound to uphold HQI's business associate obligations to County.
- e. Vendor will be the first recipient of the Data from Hospital.
- f. Vendor will store the Data on a secure database and perform so-called "Data Conditioning" to remove the Prohibited Information and non-minimally necessary PHI from the Data. The Data Conditioning process is described in additional detail in HQI's agreement with Vendor.
- g. HQI will receive only AB 2876 Data and SIERA Data that has undergone Data Conditioning (the "**Processed Data**").
- h. Processed Data will be available to HQI only after Vendor transfers it to the HQI Report Server.

4. Other Data Sources As Applicable:

- a. **NHSN Data:** Hospital shall join HQI's National Healthcare Safety Network ("NHSN") group (Group ID: 56370; Group Name: HQI\_CA) to allow HQI to access County's hospital-level data (the "NHSN Data") for use in HQIP. HQI shall access the NHSN Data on a quarterly basis, shall process the NHSN Data, and shall upload the NHSN Data to Vendor for inclusion in HQIP.
  - b. **CMQCC Data:** County shall permit the California Maternal Quality Care Collaborative ("CMQCC") to release data to HQI on the Hospital's behalf at least once per year. HQI will then process the CMQCC data and upload it to Vendor for inclusion in HQIP.
  - c. **Vital Statistics Data:** County shall permit the California Department of Public Health ("CDPH") to release data to HQI on the Hospital's behalf on a quarterly basis. HQI will then process the CDPH data and upload it to Vendor for inclusion in HQIP.
5. The disclosure of the Data is pursuant to the BAA.
  6. Pursuant to its agreement with HQI, Vendor is prohibited from sharing raw Data with HQI. Also, HQI will take all reasonable steps to restrict its employees, agents and other vendors from accessing the Data.

#### **OBLIGATIONS AND RESTRICTIONS:**

1. HQI shall use the Processed Data only as permitted or required by the Agreement, BAA, and applicable law, each of which permits HQI to use the Processed Data to create one or more limited data sets.
2. HQI may disclose the Processed Data only for the purpose of performing HQI's obligations under the Agreement and BAA, and as permitted by applicable law.
3. Such permitted disclosures may include disclosure by HQI of one or more limited datasets to the California Hospital Association's and/or its affiliate(s) in accordance with 45C.F.R. §164.514(e). The agreement between HQI and California Hospital Association's affiliate regional associations is hereby attached to this Agreement as **Attachment 1 (Data Use Agreement for Limited Data Sets(s))**. Although not a party to it, County hereby consents to the existence and terms of the Data Use **Agreement for Limited Data Sets(s)**. HQI shall not use or disclose Processed Data for fundraising or marketing purposes, except as provided under the Agreement and consistent with the requirement of 42 U.S.C. 17936 and HIPAA.
4. HQI shall implement reasonable and appropriate safeguards to prevent the use or disclosure of Processed Data other than as provided for by the Agreement and BAA.

5. HQI will require the Vendor to remove HIV testing or results, including HIV ICD-9 and ICD-10 codes, from the Data. HQI personnel shall not access the Data prior to the Vendor's removal of the HIV codes.
6. Hospital will not transmit data on prenatal blood test results to any Vendor. In the event of a production by Hospital of such information to any Vendor, HQI will require the Vendor to remove such information from the Data. HQI will take reasonable steps to segregate its personnel from the Data prior to the Vendor's removal of the prenatal blood test results.
7. HQI may receive from Hospital substance and alcohol abuse treatment data under 42 C.F.R. Part 2 ("Part 2") pursuant to HQI's status as a qualified service organization under 42 CFR § 2.12(c)(4). HQI will use appropriate safeguards to prevent the unauthorized use or disclosure of the protected information in accordance with 42 C.F.R. § 2.11 and the BAA.

**ATTACHMENT 1**  
**Data Use Agreement for Limited Data Sets(s)**

[http://www.hqinstitute.org/sites/main/files/file-attachments/attachment\\_1\\_duas\\_4\\_association\\_20190221.pdf](http://www.hqinstitute.org/sites/main/files/file-attachments/attachment_1_duas_4_association_20190221.pdf)

**EXHIBIT C**  
**Compensation**

Services are included in the membership benefits secured by Hospital's membership in and dues payment to the California Hospital Association or its affiliate. The dues include quality and patient safety activities through HQI.

**EXHIBIT D**  
**Business Associate Agreement**

[https://www.hqinstitute.org/sites/main/files/fileattachments/speedtrack\\_hqi\\_baa\\_executed\\_12\\_15\\_2020.pdf](https://www.hqinstitute.org/sites/main/files/fileattachments/speedtrack_hqi_baa_executed_12_15_2020.pdf)

**EXHIBIT E**  
**Vendor Agreement**

[https://www.hqinstitute.org/sites/main/files/file-attachments/speedtrack --  
\\_hqi master agreement final 12 8 2020-fully executed.pdf](https://www.hqinstitute.org/sites/main/files/file-attachments/speedtrack_-_hqi_master_agreement_final_12_8_2020-fully_executed.pdf)

[https://www.hqinstitute.org/sites/main/files/file-  
attachments/exhibit e 1 vendor contract hqi speedtrack 20220119.pdf](https://www.hqinstitute.org/sites/main/files/file-attachments/exhibit_e_1_vendor_contract_hqi_speedtrack_20220119.pdf)

**EXHIBIT F**  
**Insurance Requirements**

HQI agrees to provide insurance set forth in accordance with the requirements herein. If HQI uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, HQI agrees to amend, supplement or endorse the existing coverage to do so.

1. Without in anyway affecting any indemnity obligations provided and in addition thereto, HQI shall secure and maintain throughout the Agreement term the following types of insurance with limits as shown:
  - a. Workers' Compensation/Employer's Liability – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons providing services on behalf of HQI and all risks to such persons under this Agreement. If HQI has no employees, it may certify or warrant to the County that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Director of Risk Management.
  - b. Commercial/General Liability Insurance – HQI shall carry General Liability Insurance covering all operations performed by or on behalf of HQI providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:
    - i. Premises operations and mobile equipment.
    - ii. Products and completed operations.
    - iii. Broad form property damage (including completed operations).
    - iv. Explosion, collapse and underground hazards.
    - v. Personal injury.
    - vi. Contractual liability.
    - vii. \$2,000,000 general aggregate limit.
  - c. Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence. If HQI is transporting one or more non-employee passengers in performance of Agreement services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence. If HQI owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.
  - d. Umbrella Liability Insurance – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.
  - e. Professional Liability – Professional Liability Insurance with limits of not less than one million (\$1,000,000) per claim and two million (\$2,000,000) aggregate limits

or

Errors and Omissions Liability Insurance – Errors and Omissions Liability Insurance with limits of not less than one million (\$1,000,000) and two million (\$2,000,000) aggregate limits

or

Directors and Officers Insurance coverage with limits of not less than one million (\$1,000,000) shall be required for Agreements with charter labor committees or other not-for-profit organizations advising or acting on behalf of the County.

- f. Cyber Liability Insurance - Cyber Liability Insurance with limits of no less than \$1,000,000 for each occurrence or event with an annual aggregate of \$2,000,000 covering privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. The policy shall protect the involved County entities and cover breach response cost as well as regulatory fines and penalties.

If insurance coverage is provided on a “claims made” policy, the “retroactive date” shall be shown and must be before the date of the start of the Agreement work. The claims made insurance shall be maintained or “tail” coverage provided for a minimum of five (5) years after Agreement completion.

2. **Additional Insured.** All policies, except for Worker’s Compensation, Errors and Omissions and Professional Liability policies shall contain additional endorsements naming the County and its officers, employees, and agents as additional named insured with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the County to vicarious liability but shall allow coverage for the County to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.
3. **Waiver of Subrogation Rights.** HQI shall require the carriers of required coverages to waive all rights of subrogation against the County, its officers, employees, agents, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit HQI and HQI’s employees or agents from waiving the right of subrogation prior to a loss or claim. HQI hereby waives all rights of subrogation against the County.
4. **Policies Primary and Non-Contributory.** All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the County.
5. **Severability of Interests.** HQI agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between HQI and the County or between the County and any other insured or additional insured under the policy.
6. **Proof of Coverage.** HQI shall furnish Certificates of Insurance to the County Department administering the Agreement evidencing the insurance coverage at the time the Agreement is executed, additional endorsements, as required shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and HQI shall maintain such insurance from the time HQI commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this Agreement, HQI shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

7. **Acceptability of Insurance Carrier.** Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A- VII".
8. **Deductibles and Self-Insured Retention.** Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.
9. **Failure to Procure Coverage.** In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, the County has the right but not the obligation or duty to cancel the Agreement or obtain insurance if it deems necessary and any premiums paid by the County will be promptly reimbursed by HQI or County payments to HQI will be reduced to pay for County purchased insurance.
10. **Insurance Review.** Insurance requirements are subject to periodic review by the County. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the County. In addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the County, inflation, or any other item reasonably related to the County's risk. Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. HQI agrees to execute any such amendment within thirty (30) days of receipt. Any failure, actual or alleged, on the part of the County to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the County.