



Contract Number

SAP Number

Arrowhead Regional Medical Center

Department Contract Representative	<u>Andrew Goldfrach</u>
Telephone Number	<u>(909) 580-6150</u>
Contractor	<u>Firstsource Solutions USA, LLC</u>
Contractor Representative	<u>Dan Hess</u>
Telephone Number	<u>(310) 918-3404</u>
Contract Term	<u>July 23, 2024 through July 22, 2025</u>
Original Contract Amount	<u>\$3,000,000</u>
Amendment Amount	<u></u>
Total Contract Amount	<u>\$3,000,000</u>
Cost Center	<u>8530</u>

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, San Bernardino County (County) desires to contract with a vendor to provide Secondary Placement of Accounts Receivable Services to Arrowhead Regional Medical Center (ARMC); and

WHEREAS, the County conducted a competitive process through Request for Proposal ARMC124-ARMC-5227 ("RFP") to find a vendor to provide these Services; and

WHEREAS, based on the representation of Firstsource Solutions USA, LLC (Contractor) in its proposal to the County's RFP, the County finds Contractor qualified to provide the Services; and

WHEREAS, the County desires that such Services be provided by Contractor and Contractor agrees to perform these services as set forth below;

NOW, THEREFORE, the County and Contractor mutually agree to the following terms and conditions:

A. DEFINITIONS

A.1 Accounts Receivable: The balance of money due to ARMC for services rendered to patients but not yet paid for.

A.2 Services: The requested services described in this RFP.

B. CONTRACTOR RESPONSIBILITIES

- B.1** Accept Insurance Accounts Receivable from ARMC for additional collection efforts. Collection efforts shall include, but is not limited to:
- a. Investigate and resolve outstanding claims.
 - b. Analyze aged receivables and follow-up. Follow-up of accounts shall be completed monthly.
 - c. Identify and address coding or documentation issues within an Epic environment.
 - d. Pursue denied or underpaid claims. Vendor shall work all denials including coding denials, collections or underpayments effectively within timely filing limit timeframe including, but not limited to, filing corrected claims, rebilling, and making phone calls to third party payers.
 - e. Recover outstanding balances from insurance companies and patients. Vendor shall work all accounts until paid in full or zero balance while providing excellent client services.
 - f. Track and reconcile invoices and complete monthly ledger AR reconciliation.
 - g. Correct all credit balances created by the vendor within seven business days.
 - h. Provide a secure system that is capable of integrating with ARMC's EPIC electronic health record system.
 - i. Provide a minimum of three full time employees assigned as accounts receivable staff who are dedicated to ARMC to ensure all accounts are worked effectively. Staffing levels and equipment needed will be maintained at the vendor's expense.
 - j. Designate a point of contact to exchange information and respond to questions and/or issues from ARMC.
 - k. Generate monthly revenue reports by the 10th of each month. Reports shall include:
 - 1. Days in AR
 - 2. AR aged more than 360 days from discharge date/date of service
 - 3. Payer mix
 - 4. Aging Summary
 - 5. Denial by type
 - 6. Denial rate by denial type
 - 7. Write offs as a percentage of accounts receivable gross revenue
 - 8. Cash collections as a percent of gross revenue
 - 9. Facilitate quarterly meetings to review status of cases being handled by the vendor.
- B.2** Contractor shall operate in compliance with all applicable state and federal laws regarding collection practices.
- B.3** Contractor must possess a California Department of Financial Protection & Innovation Debt Collection License.
- B.4** Contractor must provide a secure system for receiving, storing and processing patient/client information. View access to Epic electronic health record system (EHR) and web-based insurance provider portals is required for eligibility and claim status. Access to portals will be provided by ARMC Patient Accounts department.
- B.5** Further detailed information on Contractor's Services under this Contract are set forth on Attachment D, "Further Details on Scope of Work", attached hereto and incorporated herein by this reference.

C. GENERAL CONTRACT REQUIREMENTS

C.1 Recitals

The recitals set forth above are true and correct and incorporated herein by this reference.

C.2 Contract Amendments

Contractor agrees any alterations, variations, modifications, or waivers of the provisions of the Contract, shall be valid only when reduced to writing, executed and attached to the original Contract and approved by the person(s) authorized to do so on behalf of Contractor and County.

C.3 Contract Assignability

Without the prior written consent of the County, the Contract is not assignable by Contractor either in whole or in part.

C.4 Contract Exclusivity

This is not an exclusive Contract. The County reserves the right to enter into a contract with other contractors for the same or similar services. The County does not guarantee or represent that the Contractor will be permitted to perform any minimum amount of work, or receive compensation other than on a per order basis, under the terms of this Contract.

C.5 Attorney's Fees and Costs

If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own costs and attorney's fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorney's fees directly arising from a third-party legal action against a party hereto and payable under Indemnification and Insurance Requirements.

C.6 Background Checks for Contractor Personnel

Contractor shall ensure that its personnel (a) are authorized to work in the jurisdiction in which they are assigned to perform Services; (d) do not use legal or illegal substances in any manner which will impact their ability to provide Services to the County; and (c) are not otherwise disqualified from performing the Services under applicable law. If requested by the County and not in violation of applicable law, Contractor shall conduct a background check, at Contractor's sole expense, on all its personnel providing Services. If requested by the County, Contractor shall provide the results of the background check of each individual to the County. Such background check shall be in the form generally used by Contractor in its initial hiring of employees or contracting for contractors or, as applicable, during the employment-screening process but must, at a minimum, have been performed within the preceding 12-month period. Contractor personnel who do not meet the County's hiring criteria, in County's sole discretion, shall not be assigned to work on County property or Services, and County shall have the right, at its sole option, to refuse access to any Contract personnel to any County facility.

C.7 Change of Address

Contractor shall notify the County in writing, of any change in mailing address within ten (10) business days of the change.

C.8 Choice of Law

This Contract shall be governed by and construed according to the laws of the State of California.

C.9 Compliance with County Policy

In performing the Services and while at any County facilities, Contractor personnel (including subcontractors) shall (a) conduct themselves in a businesslike manner; (b) comply with the policies, procedures, and rules of the County regarding health and safety, and personal, professional and ethical conduct; (c) comply with the finance, accounting, banking, Internet, security, and/or other applicable standards, policies, practices, processes, procedures, and controls of the County; and (d) abide by all laws applicable to the County facilities and the provision of the Services, and all amendments and modifications to each of the documents listed in subsections (b), (c), and (d) (collectively, "County Policies"). County Policies, and additions or modifications thereto, may be communicated orally or in writing to Contractor or Contractor personnel or may be made available to Contractor or Contractor personnel by conspicuous posting at a County facility, electronic posting, or other means generally used by County to disseminate such information to its employees or contractors. Contractor shall be responsible for the promulgation and distribution of County Policies to Contractor personnel to the extent

necessary and appropriate.

County shall have the right to require Contractor's employees, agents, representatives and subcontractors to exhibit identification credentials issued by County in order to exercise any right of access under this Contract.

C.10 Confidentiality

Pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health (HITECH) Act, regulations have been promulgated governing the privacy of individually identifiable health information. The HIPAA Privacy Rule and Security Rule specify requirements with respect to contracts between a Covered Entity and its Business Associates. Contractor shall comply with the attached Business Associate Agreement (Attachment B). Contractor further agrees to comply with the requirements of other federal and state law that applies to the information collected and maintained by Contractor for Services performed pursuant to Contract.

C.11 Primary Point of Contact

Contractor will designate an individual to serve as the primary point of contact for the Contract. Contractor or designee must respond to County inquiries within two (2) business days. Contractor shall not change the primary contact without written acknowledgement to the County. Contractor will also designate a back-up point of contact in the event the primary contact is not available.

C.12 County Representative

ARMC Chief Executive Officer or his/her designee shall represent the County in all matters pertaining to the services to be rendered under this Contract, including termination and assignment of this Contract, and shall be the final authority in all matters pertaining to the Services/Scope of Work by Contractor. If this contract was initially approved by the San Bernardino County Board of Supervisors, then the Board of Supervisors must approve all amendments to this Contract.

C.13 Damage to County Property

Contractor shall repair, or cause to be repaired, at its own cost, all damages to County vehicles, facilities, buildings or grounds caused by the willful or negligent acts of Contractor or its employees or agents. Such repairs shall be made immediately after Contractor becomes aware of such damage, but in no event later than thirty (30) days after the occurrence.

If the Contractor fails to make timely repairs, the County may make any necessary repairs. The Contractor, as determined by the County, shall repay all costs incurred by the County for such repairs, by cash payment upon demand, or County may deduct such costs from any amounts due to the Contractor from the County, as determined at the County's sole discretion.

C.14 Debarment and Suspension

Contractor certifies that neither it nor its principals or subcontractors is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. (See the following United States General Services Administration's System for Award Management website <https://www.sam.gov>). Contractor further certifies that if it or any of its subcontractors are business entities that must be registered with the California Secretary of State, they are registered and in good standing with the Secretary of State.

C.15 Drug and Alcohol Free Workplace

In recognition of individual rights to work in a safe, healthful and productive work place, as a material condition of this Contract, the Contractor agrees that the Contractor and the Contractor's employees, while performing service for the County, on County property, or while using County equipment:

- C.15.1** Shall not be in any way impaired because of being under the influence of alcohol or an illegal or controlled substance.
- C.15.2** Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal or controlled substance.
- C.15.3** Shall not sell, offer, or provide alcohol or an illegal or controlled substance to another person, except where Contractor or Contractor's employee who, as part of the performance of normal job duties and responsibilities, prescribes or administers medically prescribed drugs.

The Contractor shall inform all employees that are performing service for the County on County property, or using County equipment, of the County's objective of a safe, healthful and productive work place and the prohibition of drug or alcohol use or impairment from same while performing such service for the County.

The County may terminate for default or breach of this Contract and any other Contract the Contractor has with the County, if the Contractor or Contractor's employees are determined by the County not to be in compliance with above.

C.16 Duration of Terms

This Contract, and all of its terms and conditions, shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the respective parties, provided no such assignment is in violation of the provisions of this Contract.

C.17 Employment Discrimination

During the term of the Contract, Contractor shall not discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, sexual orientation, age, or military and veteran status. Contractor shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, 13672, Title VI and Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act and other applicable Federal, State and County laws and regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

C.18 Environmental Requirements

In accordance with County Policy 11-08, the County prefers to acquire and use products with higher levels of post-consumer recycled content. Environmentally preferable goods and materials must perform satisfactorily and be available at a reasonable price. The County requires Contractor to use recycled paper for any printed or photocopied material created as a result of this Contract. Contractor is also required to use both sides of paper sheets for reports submitted to the County whenever practicable.

To assist the county in meeting the reporting requirements of the California Integrated Waste Management Act of 1989 (AB 939), Contractor must be able to annually report the County's environmentally preferable purchases. Contractor must also be able to report on environmentally preferable goods and materials used in the provision of their service to the County, utilizing a County approved form.

C.19 Improper Influence

Contractor shall make all reasonable efforts to ensure that no County officer or employee, whose position in the County enables him/her to influence any award of the Contract or any competing offer, shall have any direct or indirect financial interest resulting from the award of the Contract or shall have any relationship to the Contractor or officer or employee of the Contractor.

C.20 Improper Consideration

Contractor shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the County in an attempt to secure favorable treatment regarding this Contract.

The County, by written notice, may immediately terminate this Contract if it determines that any improper consideration as described in the preceding paragraph was offered to any officer, employee or agent of the County with respect to the proposal and award process. This prohibition shall apply to any amendment, extension or evaluation process once a contract has been awarded.

Contractor shall immediately report any attempt by a County officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from Contractor. The report shall be made to the supervisor or manager charged with supervision of the employee or the County Administrative Office. In the event of a termination under this provision, the County is entitled to pursue any available legal remedies.

C.21 Informal Dispute Resolution

In the event the County determines that service is unsatisfactory, or in the event of any other dispute, claim, question or disagreement arising from or relating to this Contract or breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

C.22 Legality and Severability

The parties' actions under the Contract shall comply with all applicable laws, rules, regulations, court orders and governmental agency orders. The provisions of this Contract are specifically made severable. If a provision of the Contract is terminated or held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall remain in full effect.

C.23 Licenses, Permits and/or Certifications

Contractor shall ensure that it has all necessary licenses, permits and/or certifications required by the laws of Federal, State, County, and municipal laws, ordinances, rules and regulations. The Contractor shall maintain these licenses, permits and/or certifications in effect for the duration of this Contract. Contractor will notify County immediately of loss or suspension of any such licenses, permits and/or certifications. Failure to maintain a required license, permit and/or certification may result in immediate termination of this Contract.

The California Department of Financial Protection & Innovation Debt Collection License is required for the duration of the contract.

C.24 Material Misstatement/Misrepresentation

If during the course of the administration of this Contract, the County determines that Contractor has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the County, this Contract may be immediately terminated. If this Contract is terminated according to this provision, the County is entitled to pursue any available legal remedies.

C.25 Mutual Covenants

The parties to this Contract mutually covenant to perform all of their obligations hereunder, to exercise all discretion and rights granted hereunder, and to give all consents in a reasonable manner consistent with the standards of "good faith" and "fair dealing".

C.26 Nondisclosure

Contractor shall hold as confidential and use reasonable care to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, confidential information that is either: (1) provided by the County to Contractor or an agent of Contractor or otherwise made available to Contractor or Contractor's agent in connection with this Contract; or, (2) acquired, obtained, or learned by Contractor or an agent of Contractor in the performance of this Contract. For purposes of this provision, confidential information means any data, files, software, information or materials in oral, electronic, tangible or intangible form and however stored, compiled or memorialize and includes, but is not limited to, technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data.

C.27 Notice of Delays

Except as otherwise provided herein, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this contract, that party shall, within twenty-four (24) hours, give notice thereof, including all relevant information with respect thereto, to the other party.

C.28 Ownership of Documents

All documents, data, products, graphics, computer programs and reports prepared by Contractor pursuant to the Contract shall be considered property of the County upon payment for services (and products, if applicable). All such items shall be delivered to County at the completion of work under the Contract, subject to the requirements of Section IV–Term of the Contract. Unless otherwise directed by County, Contractor may retain copies of such items.

C.29 Participation Clause

The County desires that Municipalities, School Districts, and other Tax Districts within the San Bernardino County requiring the same services provided herein may at their option and through the County Purchasing agent, avail themselves of this Contract. Upon notice, in writing, the Contractor agrees to the extension of the terms of a resultant contract with such governmental bodies as though they have been expressly identified in this bid, with the provisions that:

C.29.1 Such governmental body does not have and will not have in force any other contract for like purchases.

C.29.2 Such governmental body does not have under consideration for award any other bids or quotations for like purchases.

Such governmental body shall make purchases directly through and to the Contractor. The County will not be liable for any such purchase made between the Contractor and another governmental body who avails themselves of this contract.

C.30 Air, Water Pollution Control, Safety and Health

Contractor shall comply with all air pollution control, water pollution, safety and health ordinances and statutes, which apply to the work performed pursuant to this Contract.

C.31 Records

Contractor shall maintain all records and books pertaining to the delivery of services under this Contract and demonstrate accountability for contract performance. All records shall be complete and current and comply with all Contract requirements. Failure to maintain acceptable records shall be considered grounds for withholding of payments for invoices submitted and/or termination of the Contract.

All records relating to the Contractor's personnel, consultants, subcontractors, Services/Scope of Work and expenses pertaining to this Contract shall be kept in a generally acceptable accounting format. Records should include primary source documents. Fiscal records shall be kept in accordance with Generally Accepted Accounting Principles and must account for all funds, tangible assets, revenue and expenditures. Fiscal records must comply with the appropriate

Office of Management and Budget (OMB) Circulars, which state the administrative requirements, cost principles and other standards for accountancy.

C.32 Relationship of the Parties

Nothing contained in this Contract shall be construed as creating a joint venture, partnership, or employment arrangement between the Parties hereto, nor shall either Party have the right, power or authority to create an obligation or duty, expressed or implied, on behalf of the other Party hereto.

C.33 Release of Information

No news releases, advertisements, public announcements or photographs arising out of the Contract or Contractor's relationship with County may be made or used without prior written approval of the County.

C.34 Representation of the County

In the performance of this Contract, Contractor, its agents and employees, shall act in an independent capacity and not as officers, employees, or agents of the San Bernardino County.

C.35 Strict Performance

Failure by a party to insist upon the strict performance of any of the provisions of this Contract by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Contract thereafter.

C.36 Subcontracting

Contractor shall obtain County's written consent, which County may withhold in its sole discretion, before entering into Contracts with or otherwise engaging any subcontractors who may supply any part of the Services to County. At County's request, Contractor shall provide information regarding the subcontractor's qualifications and a listing of a subcontractor's key personnel including, if requested by the County, resumes of proposed subcontractor personnel. Contractor shall remain directly responsible to County for its subcontractors and shall indemnify County for the actions or omissions of its subcontractors under the terms and conditions specified in Section G. All approved subcontractors shall be subject to the provisions of this Contract applicable to Contractor Personnel.

For any subcontractor, Contractor shall:

- C.36.1** Be responsible for subcontractor compliance with the Contract and the subcontract terms and conditions; and
- C.36.2** Ensure that the subcontractor follows County's reporting formats and procedures as specified by County.
- C.36.3** Include in the subcontractor's subcontract substantially similar terms as are provided in Sections B. Contractor Responsibilities and C. General Contract Requirements.

Upon expiration or termination of this Contract for any reason, County will have the right to enter into direct Contracts with any of the Subcontractors. Contractor agrees that its arrangements with Subcontractors will not prohibit or restrict such Subcontractors from entering into direct Contracts with County.

C.37 Subpoena

In the event that a subpoena or other legal process commenced by a third party in any way concerning the Goods or Services provided under this Contract is served upon Contractor or County, such party agrees to notify the other party in the most expeditious fashion possible following receipt of such subpoena or other legal process. Contractor and County further agree to cooperate with the other party in any lawful effort by such other party to contest the legal validity of such subpoena or other legal process commenced by a third party as may be reasonably required and at the expense

of the party to whom the legal process is directed, except as otherwise provided herein in connection with defense obligations by Contractor for County.

C.38 Termination for Convenience

The County reserves the right to terminate the Contract, for its convenience, with or without cause, with a ninety (90) day written notice of termination. Such termination may include all or part of the services described herein. Upon such termination, payment will be made to the Contractor for services rendered and expenses reasonably incurred prior to the effective date of termination. Upon receipt of termination notice Contractor shall promptly discontinue services unless the notice directs otherwise. Contractor shall deliver promptly to County and transfer title (if necessary) all completed work, and work in progress, including drafts, documents, plans, forms, data, products, graphics, computer programs and reports.

C.39 Time of the Essence

Time is of the essence in performance of this Contract and of each of its provisions.

C.40 Venue

The parties acknowledge and agree that this Contract was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue of any action or claim brought by any party to this Contract will be the Superior Court of California, San Bernardino County, San Bernardino District. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning this Contract is brought by any third party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, San Bernardino County, San Bernardino District.

C.41 Conflict of Interest

Contractor shall make all reasonable efforts to ensure that no conflict of interest exists between its officers, employees, or subcontractors and the County. Contractor shall make a reasonable effort to prevent employees, Contractor, or members of governing bodies from using their positions for purposes that are, or give the appearance of being motivated by a desire for private gain for themselves or others such as those with whom they have family business, or other ties. Officers, employees, and agents of cities, counties, districts, and other local agencies are subject to applicable conflict of interest codes and state law. In the event the County determines a conflict of interest situation exists, any increase in costs, associated with the conflict of interest situation, may be disallowed by the County and such conflict may constitute grounds for termination of the Contract. This provision shall not be construed to prohibit employment of persons with whom Contractor's officers, employees, or agents have family, business, or other ties so long as the employment of such persons does not result in increased costs over those associated with the employment of any other equally qualified applicant.

C.42 Former County Administrative Officials

Contractor agrees to provide, or has already provided information on former San Bernardino County administrative officials (as defined below) who are employed by or represent Contractor. The information provided includes a list of former County administrative officials who terminated County employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of Contractor. For purposes of this provision, "County administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Executive Officer or member of such officer's staff, County department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

C.43 Disclosure of Criminal and Civil Procedures

The County reserves the right to request the information described herein from the Contractor. Failure to provide the information may result in a termination of the Contract. The County also

reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The Contractor also may be requested to provide information to clarify initial responses. Negative information discovered may result in Contract termination.

Contractor is required to disclose whether the firm, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the Contractor will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the Contractor is required to disclose whether the firm, or any of its partners, principals, members, associates or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the Contractor will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For purposes of this provision "key employees" includes any individuals providing direct service to the County. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

C.44 Copyright

County shall have a royalty-free, non-exclusive and irrevocable license to publish, disclose, copy, translate, and otherwise use, copyright or patent, now and hereafter, all reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other materials or properties developed under this Contract including those covered by copyright, and reserves the right to authorize others to use or reproduce such material. All such materials developed under the terms of this Contract shall acknowledge the San Bernardino County as the funding agency and Contractor as the creator of the publication. No such materials, or properties produced in whole or in part under this Contract shall be subject to private use, copyright or patent right by Contractor in the United States or in any other country without the express written consent of County. Copies of all educational and training materials, curricula, audio/visual aids, printer material, and periodicals, assembled pursuant to this Contract must be filed with the County prior to publication.

C.45 Artwork, Proofs and Negatives

All artwork, proofs, and/or negatives in either print or digital format for anything produced under the terms of this Contract are the property of the County. These items must be returned to the County within ten (10) days, upon written notification to the Contractor. In the event of a failure to return the documents, the County is entitled to pursue any available legal remedies. In addition, the Contractor will be barred from all future solicitations, for a period of at least six (6) months.

C.46 Iran Contracting Act

IRAN CONTRACTING ACT OF 2010, Public Contract Code sections 2200 et seq. (Applicable for all Contracts of one million dollars (\$1,000,000) or more). In accordance with Public Contract Code section 2204(a), the Contractor certifies that at the time the Contract is signed, the Contractor signing the Contract is not identified on a list created pursuant to subdivision (b) of Public Contract Code section 2203 as a person (as defined in Public Contract Code section 2202(e)) engaging in investment activities in Iran described in subdivision (a) of Public Contract Code section 2202.5, or as a person described in subdivision (b) of Public Contract Code section 2202.5, as applicable.

Contractors are cautioned that making a false certification may subject the Contractor to civil penalties, termination of existing contract, and ineligibility to bid on a contract for a period of three (3) years in accordance with Public Contract Code section 2205.

C.47 RESERVED

C.48 California Consumer Privacy Act

To the extent applicable, if Contractor is a business that collects the personal information of a consumer(s) in performing Services pursuant to this Contract, Contractor must comply with the provisions of the California Consumer Privacy Act (CCPA). (Cal. Civil Code §§1798.100, et seq.). For purposes of this provision, “business,” “consumer,” and “personal information” shall have the same meanings as set forth at Civil Code section 1798.140. Contractor must contact the County immediately upon receipt of any request by a consumer submitted pursuant to the CCPA that requires any action on the part of the County, including but not limited to, providing a list of disclosures or deleting personal information. Contractor must not sell, market or otherwise disclose personal information of a consumer provided by the County unless specifically authorized pursuant to terms of this Contract. Contractor must immediately provide to the County any notice provided by a consumer to Contractor pursuant to Civil Code section 1798.150(b) alleging a violation of the CCPA, that involves personal information received or maintained pursuant to this Contract. Contractor must immediately notify the County if it receives a notice of violation from the California Attorney General pursuant to Civil Code section 1798.155(b).

C.49 Executive Order N-6-22 Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine (<https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions>), as well as any sanctions imposed under state law (<https://www.dgs.ca.gov/OLS/Ukraine-Russia>). The EO directs state agencies and their contractors (including by agreement or receipt of a grant) to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should it be determined that Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. Contractor shall be provided advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the County.

C.50 Campaign Contribution Disclosure (SB 1439)

Contractor has disclosed to the County using Attachment C - Campaign Contribution Disclosure Senate Bill 1439, whether it has made any campaign contributions of more than \$250 to any member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, Auditor-Controller/Treasurer/Tax Collector and the District Attorney] within the earlier of: (1) the date of the submission of Contractor’s proposal to the County, or (2) 12 months before the date this Contract was approved by the Board of Supervisors. Contractor acknowledges that under Government Code section 84308, Contractor is prohibited from making campaign contributions of more than \$250 to any member of the Board of Supervisors or other County elected officer for 12 months after the County’s consideration of the Contract.

In the event of a proposed amendment to this Contract, the Contractor will provide the County a written statement disclosing any campaign contribution(s) of more than \$250 to any member of the Board of Supervisors or other County elected officer within the preceding 12 months of the date of the proposed amendment.

Campaign contributions include those made by any agent/person/entity on behalf of the Contractor or by a parent, subsidiary or otherwise related business entity of Contractor.

D. TERM OF CONTRACT

This Contract is effective as of July 23, 2024 and expires July 22, 2029 but may be terminated earlier in accordance with provisions of this Contract.

E. COUNTY RESPONSIBILITIES

E.1 County shall provide an electronic file with detailed listing of collection accounts and all information and data reasonably requested by Contractor to the Contractor to provide the services.

E.2 County shall provide view access to the County's electronic health records system and portals for eligibility and claim status.

E.3 County shall provide a point of contact to address questions or provide information as necessary.

F. FISCAL PROVISIONS

F.1 The maximum amount of payment under this Contract shall not exceed \$3,000,000, and shall be subject to availability of other funds to the County. The consideration to be paid to Contractor, as provided herein, shall be in full payment for all Contractor's services and expenses incurred in the performance hereof, including travel and per diem.

F.2 Contractor shall issue invoices for fees in accordance with Attachment A with a net sixty (60) day payment term. If applicable the corresponding Purchase order shall be stated on the invoice.

F.3 Contractor shall accept all payments from County via electronic funds transfer (EFT) directly deposited into the Contractor's designated checking or other bank account. Contractor shall promptly comply with directions and accurately complete forms provided by County required to process EFT payments.

F.4 County is exempt from Federal excise taxes and no payment shall be made for any personal property taxes levied on Contractor or on any taxes levied on employee wages. The County shall only pay for any State or local sales or use taxes on the services rendered or equipment and/or parts supplied to the County pursuant to the Contract.

F.5 Costs for services under the terms of this Contract shall be incurred during the contract period except as approved by County. Contractor shall not use current year funds to pay prior or future year obligations.

F.6 Funds made available under this Contract shall not supplant any federal, state or any governmental funds intended for services of the same nature as this Contract. Contractor shall not claim reimbursement or payment from County for, or apply sums received from County with respect to that portion of its obligations that have been paid by another source of revenue. Contractor agrees that it will not use funds received pursuant to this Contract, either directly or indirectly, as a contribution or compensation for purposes of obtaining funds from another revenue source without prior written approval of the County.

F.7 Contractor shall adhere to the County's Travel Management Policy (8-02 and 08-02SP1) when travel is pursuant to this Contract and for which reimbursement is sought from the County. In addition, Contractor is encouraged to utilize local transportation services, including but not limited to, the Ontario International Airport.

G. INDEMNIFICATION, LIMITATION OF LIABILITY, AND INSURANCE REQUIREMENTS

G.1 Indemnification

Contractor will indemnify, defend, and hold harmless County and its officers, employees, agents and volunteers, from any and all third party claims, costs (including without limitation reasonable

attorneys' fees), and losses for infringement of any United States patent, copyright, trademark or trade secret (Intellectual Property Rights) by any goods or services. If a credible claim is made or threatened, including without limitation the filing of a lawsuit against County, or County receives a demand or notice claiming actual or potential infringement or misappropriation of any Intellectual Property Rights, County will use reasonable efforts to notify Contractor promptly of such lawsuit, claim or election. However, County's failure to provide or delay in providing such notice will relieve Contractor of its obligations only if and to the extent that such delay or failure materially prejudices Consultant's ability to defend such lawsuit or claim. County will give Contractor sole control of the defense (with counsel reasonably acceptable to County) and settlement of such claim; provided that Contractor may not settle the claim or suit absent the written consent of County unless such settlement (a) includes a release of all claims pending against County, (b) contains no admission of liability or wrongdoing by County, and (c) imposes no obligations upon County other than an obligation to stop using the goods or services that are the subject of the claim. In the event that Contractor fails to or elects not to defend County against any claim for which County is entitled to indemnity by Contractor, then Contractor shall reimburse County for all reasonable attorneys' fees and expenses within thirty (30) days from date of invoice or debit memo from County. After thirty (30) days, County will be entitled to deduct any unpaid invoice or debit memo amount from any amounts owed by County to Contractor. This shall not apply to any judgment or settlement amount, which amounts County shall be entitled to notify, invoice or debit Contractor's account at any time; and County, at its sole discretion, may settle the claim or suit.

If, in Contractor's opinion, any goods or services become, or are likely to become, the subject of a claim of infringement of Intellectual Property Rights, Contractor may, at its option: (i) procure for County the right to continue using the goods or receiving the services; (ii) replace or modify the goods or services to be non-infringing, without incurring a material diminution in performance or function; or (iii) if neither of the foregoing is feasible, in the reasonable judgment of Contractor, County shall cease use of the goods or services upon written notice from Contractor, and Contractor shall provide County with a pro-rata refund of the unearned fees paid by County to Contractor for such goods or services.

G.2 LIMITATION OF LIABILITY

NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR INDIRECT DAMAGES INCLUDING LOST PROFIT, LOST REVENUE, OR LOSS OF GOODWILL SUFFERED BY THE OTHER PARTY, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. EXCEPT FOR CONTRACTOR'S INDEMNIFICATION OBLIGATIONS, OR ARISING FROM CONTRACTOR'S GROSS NEGLIGENCE, WILLFUL MISCONDUCT, OR VIOLATION OF LAW, CONTRACTOR SHALL NOT BE LIABLE TO COUNTY FOR ANY DAMAGES IN EXCESS OF THE TOTAL CONTRACT AMOUNT. FOR ALL OTHER CLAIMS, FIRSTSOURCE SHALL NOT BE LIABLE TO COUNTY FOR ANY DAMAGES IN EXCESS OF TWO TIMES THE TOTAL CONTRACT AMOUNT.

G.3 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, agents and volunteers 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.

G.4 Waiver of Subrogation Rights

The Contractor shall require the carriers of required coverages to waive all rights of subrogation against the County, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Contractor and Contractor's employees or agents from waiving the right of subrogation prior to a loss or claim. The Contractor hereby waives all rights of subrogation against the County.

G.5 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.

G.6 Severability of Interests

The Contractor 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 the Contractor and the County or between the County and any other insured or additional insured under the policy.

G.7 Proof of Coverage

The Contractor shall furnish Certificates of Insurance to the County Department administering the Contract evidencing the insurance coverage at the time the Contract 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 Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this contract, the Contractor 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.

G.8 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".

G.9 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.

G.10 Failure to Procure Coverage

In the event that any policy of insurance required under this contract 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 contract or obtain insurance if it deems necessary and any premiums paid by the County will be promptly reimbursed by the Contractor or County payments to the Contractor will be reduced to pay for County purchased insurance.

G.11 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 contract. Contractor 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.

- G.12** The Contractor agrees to provide insurance set forth in accordance with the requirements herein. If the Contractor uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Contractor agrees to amend, supplement or endorse the existing coverage to do so.

Without in anyway affecting the indemnity herein provided and in addition thereto, the Contractor shall secure and maintain throughout the contract term the following types of insurance with limits as shown:

- G.12.1** 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 including volunteers providing services on behalf of the Contractor and all risks to such persons under this contract.

If Contractor 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.

With respect to Contractors that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

- G.12.2** Commercial/General Liability Insurance – The Contractor shall carry General Liability Insurance covering all operations performed by or on behalf of the Contractor 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:

- a. Premises operations and mobile equipment.
- b. Products and completed operations.
- c. Broad form property damage (including completed operations).
- d. Explosion, collapse and underground hazards.
- e. Personal injury.
- f. Contractual liability.
- g. \$2,000,000 general aggregate limit.

- G.12.3** 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 the Contractor is transporting one or more non-employee passengers in performance of contract 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 the Contractor owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

- G.12.4** 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.

G.12.5 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

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

G.12.6 **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.

H. RIGHT TO MONITOR AND AUDIT

H.1 The County, State and Federal government shall have absolute right to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested, and shall have absolute right to monitor the performance of Contractor in the delivery of services provided under this Contract. Contractor shall give full cooperation, in any auditing or monitoring conducted. Contractor shall cooperate with the County in the implementation, monitoring, and evaluation of this Contract and comply with any and all reporting requirements established by the County.

H.2 All records pertaining to services delivered and all fiscal, statistical and management books and records shall be available for examination and audit by County representatives for a period of three years after final payment under this Contract or until all pending County, State and Federal audits are completed, whichever is later.

I. CORRECTION OF PERFORMANCE DEFICIENCIES

I.1 Failure by Contractor to comply with any of the provisions, covenants, requirements or conditions of this Contract shall be a material breach of this Contract.

I.2 In the event of a non-cured breach, County may, at its sole discretion and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:

I.2.1 Afford Contractor thereafter a time period within which to cure the breach, which period shall be established at the sole discretion of County; and/or

I.2.2 Discontinue reimbursement to Contractor for and during the period in which Contractor is in breach, which reimbursement shall not be entitled to later recovery; and/or

I.2.3 Withhold funds pending duration of the breach; and/or

I.2.4 Offset against any monies billed by Contractor but yet unpaid by County those monies disallowed pursuant to Item “b” of this paragraph; and/or

I.2.5 Terminate this Contract immediately and be relieved of the payment of any consideration to Contractor. In the event of such termination, the County may proceed with the work in any manner deemed proper by the County. The cost to the County shall be deducted from any sum due to the Contractor under this Contract and the balance, if any, shall be paid by the Contractor upon demand.

J. NOTICES

All written notices provided for in this Contract or which either party desires to give to the other shall be

deemed fully given, when made in writing and either served personally, or by facsimile, or deposited in the United States mail, postage prepaid, and addressed to the other party as follows:

*San Bernardino County
Arrowhead Regional Medical Center
400 N. Pepper Ave
Colton, CA 92324*

*Firstsource Solutions USA, LLC
10400 Linn Station Rd., Suite 100
Louisville, KY, 40223*

Notice shall be deemed communicated two (2) County working days from the time of mailing if mailed as provided in this paragraph.

K. ENTIRE AGREEMENT

This Contract, including all Exhibits and other attachments, which are attached hereto and incorporated by reference, and other documents incorporated herein, represents the final, complete and exclusive agreement between the parties hereto. Any prior agreement, promises, negotiations or representations relating to the subject matter of this Contract not expressly set forth herein are of no force or effect. This Contract is executed without reliance upon any promise, warranty or representation by any party or any representative of any party other than those expressly contained herein. Each party has carefully read this Contract and signs the same of its own free will.

L. ELECTRONIC SIGNATURES

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 mail 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, the San Bernardino County and the Contractor have each caused this Contract to be subscribed by its respective duly authorized officers, on its behalf.

SAN BERNARDINO COUNTY

►

Dawn Rowe, Chair, Board of Supervisors

Dated: _____

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 San Bernardino County

By _____
Deputy

FIRSTSOURCE SOLUTIONS USA, LLC

(Print or type name of corporation, company, contractor, etc.)

By ► _____
(Authorized signature - sign in blue ink)

Name _____
(Print or type name of person signing contract)

Title _____
(Print or Type)

Dated: _____

Address _____

FOR COUNTY USE ONLY

Approved as to Legal Form	Reviewed for Contract Compliance	Reviewed/Approved by Department
► Bonnie Uphold, Supervising Deputy County Counsel	► _____	► Andrew Goldfrach, Chief Operating Officer
Date _____	Date _____	Date _____

ATTACHMENT A

COST

Account	Collection Amount	Percentage
Backlog Inventory: 6169 accounts for \$71,368,714.98	\$2,814,221	14.9% of the collections
Ongoing/Monthly Referral Volume: 610 accounts for approximately \$3,700,000	\$219,000 per month; \$2,628,000 annually	11.9% of the collections

ATTACHMENT B BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (Agreement) supplements and is made a part of the contract (Contract) by and between the San Bernardino County Arrowhead Regional Medical Center (hereinafter Covered Entity) and Firstsource Solutions USA, LLC. (hereinafter Business Associate). This Agreement is effective as of the effective date of the Contract.

RECITALS

WHEREAS, Covered Entity (CE) wishes to disclose certain information to Business Associate (BA) pursuant to the terms of the Contract, which may include Protected Health Information (PHI); and

WHEREAS, CE and BA intend to protect the privacy and provide for the security of the PHI disclosed to BA pursuant to the Contract in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (HIPAA), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (HITECH Act), their implementing regulations, and other applicable laws; and

WHEREAS, The Privacy Rule and the Security Rule require CE to enter into a contract containing specific requirements with BA prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, sections 164.314, subdivision (a), 164.502, subdivision (e), and 164.504, subdivision (e) of the Code of Federal Regulations (C.F.R.) and contained in this Agreement; and

WHEREAS, Pursuant to HIPAA and the HITECH Act, BA shall fulfill the responsibilities of this Agreement by being in compliance with the applicable provisions of the HIPAA Standards for Privacy of PHI set forth at 45 C.F.R. sections 164.308 (Administrative Safeguards), 164.310 (Physical Safeguards), 164.312 (Technical Safeguards), 164.316 (Policies and Procedures and Documentation Requirements), and, 164.400, et seq. and 42 United States Code (U.S.C.) section 17932 (Breach Notification Rule), in the same manner as they apply to a CE under HIPAA;

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

A. Definitions

Unless otherwise specified herein, capitalized terms used in this Agreement shall have the same meanings as given in the Privacy Rule, the Security Rule, the Breach Notification Rule, and HITECH Act, as and when amended from time to time.

1. Breach shall have the same meaning given to such term under the HIPAA Regulations [45 C.F.R. §164.402] and the HITECH Act [42 U.S.C. §§17921 et seq.], and as further described in California Civil Code section 1798.82.
2. Business Associate (BA) shall have the same meaning given to such term under the Privacy Rule, the Security Rule, and the HITECH Act, including but not limited to 42 U.S.C. section 17921 and 45 C.F.R. section 160.103.
3. Covered Entity (CE) shall have the same meaning given to such term as under the Privacy Rule and Security Rule, including, but not limited to 45 C.F.R. section 160.103.
4. Designated Record Set shall have the same meaning given to such term under 45 C.F.R. section 164.501.
5. Electronic Protected Health Information (ePHI) means PHI that is maintained in or transmitted by electronic media as defined in the Security Rule, 45 C.F.R. section 164.103.
6. Individual shall have the same meaning given to such term under 45 C.F.R. section 160.103.
7. Privacy Rule means the regulations promulgated under HIPAA by the United States Department of Health and Human Services (HHS) to protect the privacy of Protected Health Information, including, but not limited to, 45 C.F.R. Parts 160 and 164, subparts A and E.

8. Protected Health Information (PHI) shall have the same meaning given to such term under 45 C.F.R. section 160.103, limited to the information received from, or created or received by Business Associate from or on behalf of, CE.
9. Security Rule means the regulations promulgated under HIPAA by HHS to protect the security of ePHI, including, but not limited to, 45 C.F.R. Part 160 and 45 C.F.R. Part 164, subparts A and C.
10. Unsecured PHI shall have the same meaning given to such term under the HITECH Act and any guidance issued pursuant to such Act, including, but not limited to 42 U.S.C. section 17932, subdivision (h).

B. Obligations and Activities of BA

1. Permitted Uses and Disclosures

BA may disclose PHI: (i) for the proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) for purposes of Treatment, Payment and Operations (TPO); (iv) as required by law; or (v) for Data Aggregation purposes for the Health Care Operations of CE. Prior to making any other disclosures, BA must obtain a written authorization from the Individual.

If BA discloses PHI to a third party, BA must obtain, prior to making any such disclosure, (i) reasonable written assurances from such third party that such PHI will be held confidential as provided pursuant to this Agreement and only disclosed as required by law or for the purposes for which it was disclosed to such third party, and (ii) a written agreement from such third party to immediately notify BA of any breaches of confidentiality of the PHI, to the extent it has obtained knowledge of such breach. [42 U.S.C. section 17932; 45 C.F.R. sections 164.504(e)(2)(i), 164.504(e)(2)(i)(B), 164.504(e)(2)(ii)(A) and 164.504(e)(4)(ii)]

2. Prohibited Uses and Disclosures

- i. BA shall not use, access or further disclose PHI other than as permitted or required by this Agreement and as specified in the attached Contract or as required by law. Further, BA shall not use PHI in any manner that would constitute a violation of the Privacy Rule or the HITECH Act. BA shall disclose to its employees, subcontractors, agents, or other third parties, and request from CE, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder.
- ii. BA shall not use or disclose PHI for fundraising or marketing purposes.
- iii. BA shall not disclose PHI to a health plan for payment or health care operations purposes if the patient has requested this special restriction, and has paid out of pocket in full for the health care item or service to which the PHI solely relates. (42 U.S.C. section 17935(a) and 45 C.F.R. section 164.522(a)(1)(i)(A).)
- iv. BA shall not directly or indirectly receive remuneration in exchange for PHI, except with the prior written consent of CE and as permitted by the HITECH Act (42 U.S.C. section 17935(d)(2); and 45 C.F.R. section 164.508); however, this prohibition shall not affect payment by CE to BA for services provided pursuant to this Agreement.

3. Appropriate Safeguards

- i. BA shall implement appropriate safeguards to prevent the unauthorized use or disclosure of PHI, including, but not limited to, administrative, physical and technical safeguards that reasonably protect the confidentiality, integrity and availability of the PHI BA creates, receives, maintains, or transmits on behalf of the CE, in accordance with 45 C.F.R. sections 164.308, 164.310, 164.312 and 164.316. [45 C.F.R. sections 164.504(e)(2)(ii)(b) and 164.308(b).]
- ii. In accordance with 45 C.F.R. section 164.316, BA shall maintain reasonable and appropriate written policies and procedures for its privacy and security program in order to comply with the standards, implementation specifications, or any other requirements of the Privacy Rule and applicable provisions of the Security Rule.

- iii. BA shall provide appropriate training for its workforce on the requirements of the Privacy Rule and Security Rule as those regulations affect the proper handling, use confidentiality and disclosure of the CE's PHI.

Such training will include specific guidance relating to sanctions against workforce members who fail to comply with privacy and security policies and procedures and the obligations of the BA under this Agreement.

4. Subcontractors

BA shall enter into written agreements with agents and subcontractors to whom BA provides CE's PHI that impose the same restrictions and conditions on such agents and subcontractors that apply to BA with respect to such PHI, and that require compliance with all appropriate safeguards as found in this Agreement.

5. Reporting of Improper Access, Use or Disclosure or Breach

Every suspected and actual Breach shall be reported immediately, but no later than three (3) business day upon discovery, to CE's Office of Compliance, consistent with the regulations under HITECH Act. Upon discovery of a Breach or suspected Breach, BA shall complete the following actions:

- i. Provide CE's Office of Compliance with the following information to include but not limited to:
 - a) Date the Breach or suspected Breach occurred;
 - b) Date the Breach or suspected Breach was discovered;
 - c) Number of staff, employees, subcontractors, agents or other third parties and the names and titles of each person allegedly involved;
 - d) Number of potentially affected Individual(s) with contact information; and
 - e) Description of how the Breach or suspected Breach allegedly occurred.
- ii. Conduct and document a risk assessment by investigating without unreasonable delay and in no case later than five (5) calendar days of discovery of the Breach or suspected Breach to determine the following:
 - a) The nature and extent of the PHI involved, including the types of identifiers and likelihood of re-identification;
 - b) The unauthorized person who had access to the PHI;
 - c) Whether the PHI was actually acquired or viewed; and
 - d) The extent to which the risk to PHI has been mitigated.
- iii. Provide a completed risk assessment and investigation documentation to CE's Office of Compliance within ten (10) calendar days of discovery of the Breach or suspected Breach with a determination as to whether a Breach has occurred. At the discretion of CE, additional information may be requested.
 - a) If BA and CE agree that a Breach has not occurred, notification to Individual(s) is not required.
 - b) If a Breach has occurred, notification to the Individual(s) is required and BA must provide CE with affected Individual(s) name and contact information so that CE can provide notification.
- iv. Make available to CE and governing State and Federal agencies in a time and manner designated by CE or governing State and Federal agencies, any policies, procedures, internal practices and records relating to a Breach or suspected Breach for the purposes of audit or should the CE reserve the right to conduct its own investigation and analysis.

6. Access to PHI

To the extent BA maintains a Designated Record Set on behalf of CE, BA shall make PHI maintained by BA or its agents or subcontractors in Designated Record Sets available to CE for inspection and copying within ten (10) days of a request by CE to enable CE to fulfill its obligations under the Privacy Rule. If BA maintains ePHI, BA shall provide such information in electronic format to enable CE to fulfill

its obligations under the HITECH Act. If BA receives a request from an Individual for access to PHI, BA shall immediately forward such request to CE.

7. Amendment of PHI

If BA maintains a Designated Record Set on behalf of the CE, BA shall make any amendment(s) to PHI in a Designated Record Set that the CE directs or agrees to, pursuant to 45 C.F.R. section 164.526, or take other measures as necessary to satisfy CE's obligations under 45 C.F.R. section 164.526, in the time and manner designated by the CE.

8. Access to Records

BA shall make internal practices, books, and records, including policies and procedures, relating to the use, access and disclosure of PHI received from, or created or received by BA on behalf of, CE available to the Secretary of HHS, in a time and manner designated by the Secretary, for purposes of the Secretary determining CE's compliance with the Privacy Rule and Security Rule and patient confidentiality regulations. Any documentation provided to the Secretary shall also be provided to the CE upon request.

9. Accounting for Disclosures

BA, its agents and subcontractors shall document disclosures of PHI and information related to such disclosures as required by HIPAA. This requirement does not apply to disclosures made for purposes of TPO. BA shall provide an accounting of disclosures to CE or an Individual, in the time and manner designated by the CE. BA agrees to implement a process that allows for an accounting to be collected and maintained by BA and its agents or subcontractors for at least six (6) years prior to the request. At a minimum, the information collected and maintained shall include: (i) the date of disclosure; (ii) the name of the entity or person who received PHI and, if known, the address of the entity or person; (iii) a brief description of PHI disclosed; and (iv) a brief statement of purpose of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the Individual's authorization, or a copy of the written request for disclosure.

10. Termination

CE may immediately terminate this agreement, and any related agreements, if CE determines that BA has breached a material term of this agreement. CE may, at its sole discretion, provide BA an opportunity to cure the breach or end the violation within the time specified by the CE.

11. Return of PHI

Upon termination of this Agreement, BA shall return all PHI required to be retained by the BA or its subcontractors, employees or agents on behalf of the CE. In the event the BA determines that returning the PHI is not feasible, the BA shall provide the CE with written notification of the conditions that make return not feasible. Additionally, the BA must follow established policies and procedures to ensure PHI is safeguarded and disposed of adequately in accordance with 45 C.F.R. section 164.310, and must submit to the CE a certification of destruction of PHI. For destruction of ePHI, the National Institute of Standards and Technology (NIST) guidelines must be followed. BA further agrees to extend any and all protections, limitations, and restrictions contained in this Agreement, to any PHI retained by BA or its subcontractors, employees or agents after the termination of this Agreement, and to limit any further use, access or disclosures.

12. Breach by the CE

Pursuant to 42 U.S.C. section 17934, subdivision (b), if the BA is aware of any activity or practice by the CE that constitutes a material Breach or violation of the CE's obligations under this Agreement, the BA must take reasonable steps to address the Breach and/or end eliminate the continued violation, if the BA has the capability of mitigating said violation. If the BA is unsuccessful in eliminating the violation and the CE continues with non-compliant activity, the BA must terminate the Agreement (if feasible) and report the violation to the Secretary of HHS.

13. Mitigation

BA shall have procedures in place to mitigate, to the extent practicable, any harmful effect that is known to BA of a use, access or disclosure of PHI by BA, its agents or subcontractors in violation of the requirements of this Agreement.

14. Costs Associated to Breach

BA shall be responsible for reasonable costs associated with a Breach. Costs shall be based upon the required notification type as deemed appropriate and necessary by the CE and shall not be reimbursable under the Agreement at any time. CE shall determine the method to invoice the BA for said costs. Costs shall incur at the current rates and may include, but are not limited to the following:

- Postage;
- Alternative means of notice;
- Media notification; and
- Credit monitoring services.

15. Direct Liability

BA may be held directly liable under HIPAA for impermissible uses and disclosures of PHI; failure to provide breach notification to CE; failure to provide access to a copy of ePHI to CE or individual; failure to disclose PHI to the Secretary of HHS when investigating BA's compliance with HIPAA; failure to provide an accounting of disclosures; and, failure to enter into a business associate agreement with subcontractors.

16. Indemnification

BA agrees to indemnify, defend and hold harmless CE and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, penalties, injuries, costs and expenses (including costs for reasonable attorney fees) that are caused by or result from the acts or omissions of BA, its officers, employees, agents and subcontractors, with respect to the use, access, maintenance or disclosure of CE's PHI, including without limitation, any Breach of PHI or any expenses incurred by CE in providing required Breach notifications.

17. Judicial or Administrative Proceedings

CE may terminate the Contract, effective immediately, if (i) BA is named as a defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the Privacy Rule, Security Rule or other security or privacy laws or (ii) a finding or stipulation is made in any administrative or civil proceeding in which the BA has been joined that the BA has violated any standard or requirement of HIPAA, the HITECH Act, the Privacy Rule, Security Rule or other security or privacy laws.

18. Insurance

In addition to any general and/or professional liability insurance coverage required of BA under the Contract for services, BA shall provide appropriate liability insurance coverage during the term of this Agreement to cover any and all claims, causes of action, and demands whatsoever made for loss, damage, or injury to any person arising from the breach of the security, privacy, or confidentiality obligations of BA, its agents or employees, under this Agreement and under HIPAA 45 C.F.R. Parts 160 and 164, Subparts A and E.

19. Assistance in Litigation or Administrative Proceedings

BA shall make itself, and any subcontractors, employees, or agents assisting BA in the performance of its obligations under the Agreement, available to CE, at no cost to CE, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against CE, its directors, officers, or employees based upon a claimed violation of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule, or other laws relating to security and privacy, except where BA or its subcontractor, employee or agent is a named adverse party.

C. Obligations of CE

1. CE shall notify BA of any of the following, to the extent that such may affect BA's use, access, maintenance or disclosure of PHI:
 - i. Any limitation(s) in CE's notice of privacy practices in accordance with 45 C.F.R. section 164.520.
 - ii. Any changes in, or revocation of, permission by an individual to use, access or disclose PHI.
 - iii. Any restriction to the use, access or disclosure of PHI that CE has agreed to in accordance with 45 C.F.R. section 164.522.

D. General Provisions

1. Remedies

BA agrees that CE shall be entitled to seek immediate injunctive relief as well as to exercise all other rights and remedies which CE may have at law or in equity in the event of an unauthorized use, access or disclosure of PHI by BA or any agent or subcontractor of BA that received PHI from BA.

2. Ownership

The PHI shall be and remain the property of the CE. BA agrees that it acquires no title or rights to the PHI.

3. Regulatory References

A reference in this Agreement to a section in the Privacy Rule and Security Rule and patient confidentiality regulations means the section as in effect or as amended.

4. No Third-Party Beneficiaries

Nothing express or implied in the Contract or this Agreement is intended to confer, nor shall anything herein confer, upon any person other than CE, BA and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

5. Amendment

The parties acknowledge that state and federal laws related to privacy and security of PHI are rapidly evolving and that amendment of the Contract or this Agreement may be required to ensure compliance with such developments. The parties shall negotiate in good faith to amend this Agreement when and as necessary to comply with applicable laws. If either party does not agree to so amend this Agreement within 30 days after receiving a request for amendment from the other, either party may terminate the Agreement upon written notice. To the extent an amendment to this Agreement is required by law and this Agreement has not been so amended to comply with the applicable law in a timely manner, the amendment required by law shall be deemed to be incorporated into this Agreement automatically and without further action required by either of the parties. Subject to the foregoing, this Agreement may not be modified, nor shall any provision hereof be waived or amended, except in a writing duly signed and agreed to by BA and CE.

6. Interpretation

Any ambiguity in this Agreement shall be resolved to permit CE to comply with the Privacy and Security Rules, the HITECH Act, and all applicable patient confidentiality regulations.

7. Compliance with State Law

In addition to HIPAA and all applicable HIPAA Regulations, BA acknowledges that BA and CE may have confidentiality and privacy obligations under State law, including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code §56, et seq. ("CMIA")). If any provisions of this Agreement or HIPAA Regulations or the HITECH Act conflict with CMIA or any other California State law regarding the degree of protection provided for PHI and patient medical records, then BA shall comply with the more restrictive requirements.

8. Survival

The respective rights and obligations and rights of CE and BA relating to protecting the confidentiality or a patient's PHI shall survive the termination of the Contract or this Agreement.



ATTACHMENT C

Campaign Contribution Disclosure (SB 1439)

DEFINITIONS

Actively supporting the matter: (a) Communicate directly with a member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, District Attorney, Auditor-Controller/Treasurer/Tax Collector] for the purpose of influencing the decision on the matter; or (b) testifies or makes an oral statement before the County in a proceeding on the matter for the purpose of influencing the County's decision on the matter; or (c) communicates with County employees, for the purpose of influencing the County's decision on the matter; or (d) when the person/company's agent lobbies in person, testifies in person or otherwise communicates with the Board or County employees for purposes of influencing the County's decision in a matter.

Agent: A third-party individual or firm who, for compensation, is representing a party or a participant in the matter submitted to the Board of Supervisors. If an agent is an employee or member of a third-party law, architectural, engineering or consulting firm, or a similar entity, both the entity and the individual are considered agents.

Otherwise related entity: An otherwise related entity is any for-profit organization/company which does not have a parent-subsidary relationship but meets one of the following criteria:

- (1) One business entity has a controlling ownership interest in the other business entity;
- (2) there is shared management and control between the entities; or
- (3) a controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.

For purposes of (2), "shared management and control" can be found when the same person or substantially the same persons own and manage the two entities; there are common or commingled funds or assets; the business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis; or there is otherwise a regular and close working relationship between the entities.

Parent-Subsidiary Relationship: A parent-subsidiary relationship exists when one corporation has more than 50 percent of the voting power of another corporation.

Contractors must respond to the questions on the following page. If a question does not apply respond N/A or Not Applicable.

1. Name of Contractor: F irstsource
2. Is the entity listed in Question No.1 a nonprofit organization under Internal Revenue Code section 501(c)(3)?
 Yes If yes, skip Question Nos. 3-4 and go to Question No. 5 No X
3. Name of Principal (i.e., CEO/President) of entity listed in Question No. 1, if the individual actively supports the matter and has a financial interest in the decision: N/A _____
4. If the entity identified in Question No.1 is a corporation held by 35 or less shareholders, and not publicly traded ("closed corporation"), identify the major shareholder(s):
 N/A _____
5. Name of any parent, subsidiary, or otherwise related entity for the entity listed in Question No. 1 (see definitions above): N/A

Company Name	Relationship

6. Name of agent(s) of Contractor: N/A

Company Name	Agent(s)	Date Agent Retained (if less than 12 months prior)

7. Name of Subcontractor(s) (including Principal and Agent(s)) that will be providing services/work under the awarded contract if the subcontractor (1) actively supports the matter and (2) has a financial interest in the decision and (3) will be possibly identified in the contract with the County or board governed special district.

Company Name	Subcontractor(s):	Principal and//or Agent(s):

8. Name of any known individuals/companies who are not listed in Questions 1-7, but who may (1) actively support or oppose the matter submitted to the Board and (2) have a financial interest in the outcome of the decision:

Company Name	Individual(s) Name

9. Was a campaign contribution, of more than \$250, made to any member of the San Bernardino County Board of Supervisors or other County elected officer within the prior 12 months, by any of the individuals or entities listed in Question Nos. 1-8?

No If **no**, please skip Question No. 10.

Yes If **yes**, please continue to complete this form.

10. Name of Board of Supervisor Member or other County elected officer: _____

Name of Contributor: _____

Date(s) of Contribution(s): _____

Amount(s): _____

Please add an additional sheet(s) to identify additional Board Members or other County elected officers to whom anyone listed made campaign contributions.

By signing the Contract, Contractor certifies that the statements made herein are true and correct. Contractor understands that the individuals and entities listed in Question Nos. 1-8 are prohibited from making campaign contributions of more than \$250 to any member of the Board of Supervisors or other County elected officer while award of this Contract is being considered and for 12 months after a final decision by the County.



PROPOSAL DESCRIPTION

a. A brief synopsis of the Proposer's understanding of the County's needs and how the Proposer plans to meet them.

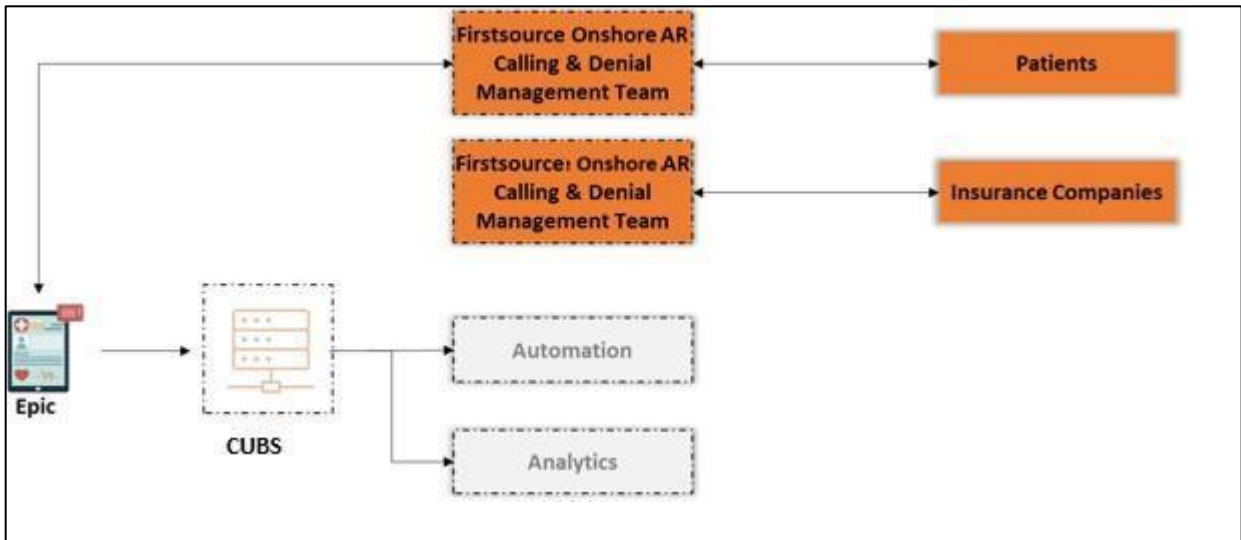
Below is our understanding of the existing process and San Bernardino County's objectives:

- ARMC works on all accounts receivable up to 180 days
- After 180 days, commercial accounts are handed over to the county's revenue recovery department (RRD)
- ARMC seeks to further improve collections by placing all open commercial accounts to a secondary vendor after 360 days i.e. 180 days from placing with the RRD
- Claims could be delinquent, secondary billable, partially paid, appealed, and awaiting status, denied claims, etc.
- These accounts require a strategic approach for faster resolution and reimbursement

Our high-level approach involves accessing the Epic queue to analyze patient accounts and facilitate efficient follow-up with insurance companies through our experienced representatives and denial management team. Our outbound representatives contact every payer to get the necessary info. These professionals are adept at gathering necessary details by directly communicating with the payer, ensuring accurate and up-to-date information is obtained.

We will meet and exceed UConn Health's objectives contained in this RFP with the following:

- **High-performance team:** We will assemble an Epic experienced and dedicated team led by Rachael Miller. Our leaders have a proven track record of maximizing recovery rates for our clients. They will work closely with your team to develop customized strategies that are tailored to your needs, ensuring the highest possible return on investment.
- **Data-driven approach:** Our team will be formed based on your historical information like claims volume, ATB, liquidation data, denial pattern, etc. We will analyze data to identify trends and opportunities in the collection process, enabling us to develop customized strategies.
- **Ability to implement workflow solution:** In addition to Firstsource's access to Epic workflows, ARMC can leverage our workflow solutions to better manage the inventory and drive results. This tool acts as the middleware between Epic and Firstsource's team. They allow account representatives to access vital account data instantly, making account processing quicker and more effective. The data can be communicated back and forth at scheduled intervals. More information on FACS and CUBS is within this proposal.
- **Blend of analytics and automation to drive revenues:** The option to implement our workflow solution provides us the ability to analyze accounts, draw global patterns, deploy analytical models and automation solutions that can increase collectability for ARMC. More information on analytics and automation is within this proposal.
- **Availability of nationwide delivery centers:** In addition to onshore, ARMC also has the option to leverage our considerable nationwide resources as per their business needs. We would like to enable you with the availability of cost-efficient centers throughout the US.



Proposed solution:

Our proposed solution hinges on the art of the possible. By closely analyzing patterns, volume, and operational challenges within other similar clients, we have the capability to implement advanced technologies, such as automation and analytics, to enhance your processes.

However, we recognize that the deployment of these technologies should be aligned with tangible inputs from your end. These inputs may include comprehensive data on claim volume, ATB, top payers, denial pattern and other critical factors. Our collaboration will be guided by a strategic approach, ensuring that the introduction of technological solutions is not only feasible but also tailored to your specific needs and objectives.

During the collaboration or discovery phase, we would engage in in-depth discussions to gain a profound understanding of ARMC’s unique needs and challenges. This dialogue encompasses a range of critical factors, including but not limited to the volume of claims processed, identification of the top payers, and denial patterns that may be impeding your revenue cycle.

The cornerstone of our proposed solution lies in our ability to unlock the potential for improvement. By delving deep into the denial patterns specific to ARMC, we aim to uncover untapped opportunities. These insights act as a catalyst for the deployment of cutting-edge technologies, notably automation and advanced analytics. These tools hold the promise of revolutionizing your operational landscape, enhancing efficiency, and ultimately elevating your revenue cycle management to new heights.

Our advanced approach to address the challenges of ARMC are:

Root Cause Analysis of current denials to understand key reasons behind denials and identify improvement areas:

We leverage our web-based analytics tool to identify the root causes of denials with precision. This tool allows us to conduct in-depth analysis of denied claims at the revenue line level, grouping them by dollar amount and identifying common denials.

By utilizing this analytical model, we can generate valuable insights into the denial trends and patterns affecting hospitals' reimbursement processes. We share these findings as part of our monthly and quarterly reports package, providing hospitals with a comprehensive root cause

analysis. This analysis serves as a foundation for process improvements and denial prevention strategies.

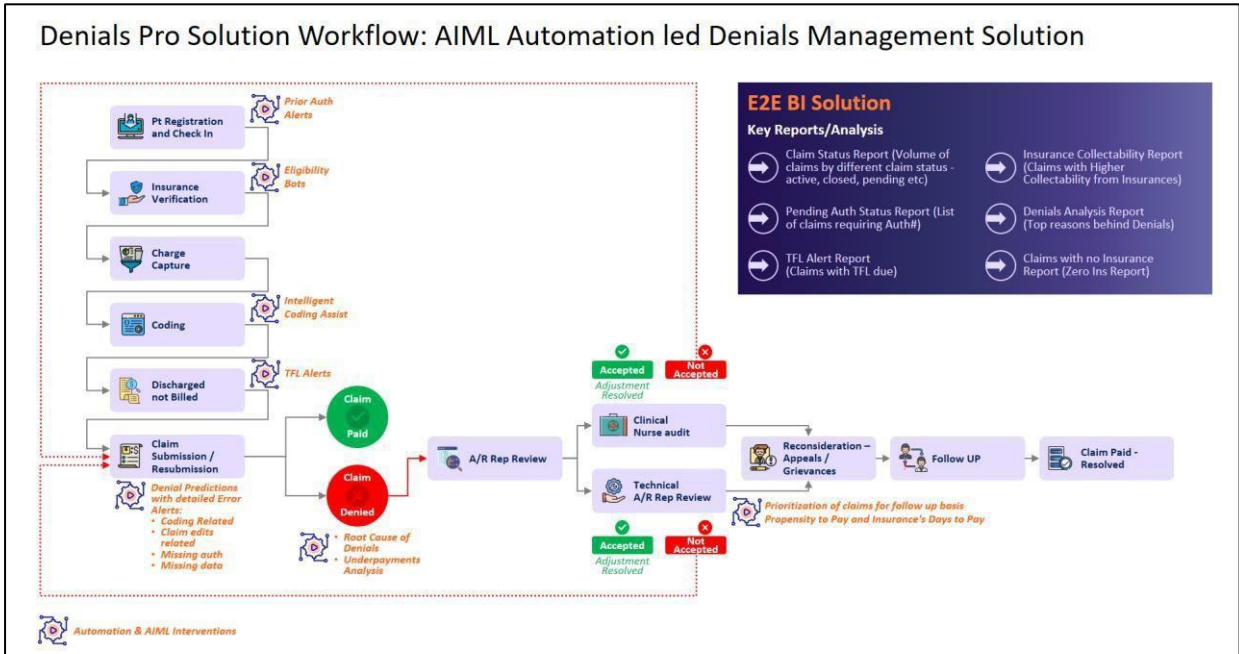
AI based Collectability Propensity to prioritize claims for follow up/resubmission:

We have implemented an AI based proprietary propensity-to-pay scoring and segmentation model to prioritize claims. Based on the proprietary propensity-to-pay score, accounts are stratified into 10 unique segments. Each segment is assigned to a specific workflow. Each workflow has a defined series of work events designed to resolve the account balance based on the best practices.

Our proposed solution has multiple components/use cases aimed to reduce denials, enhance productivity efficiency, and optimize workflow. Each of these components play a critical role at different stages of the workflow and are also integrated at certain stages to provide advanced intelligence.

The interventions are briefed as below:

1. **Prior Auth Alerts** to avoid prior auth misses - Alerts to notify the provider team of a pending or denied prior authorization. Timely Filing Alert: Ensure that claims are submitted within timeframe to avoid late submission denials
2. **Eligibility bots** to eliminate manual eligibility verification process - BOTS to pre-screen the claim to ensure existence of Insurance coverage for the specific service else notify the provider.
3. **Intelligent Coding Assist** to enhance coding accuracy - GAI-powered coding assistance to suggest appropriate procedure and diagnosis codes.
4. **TFL Alerts** to ensure timely filling of claims - Alerts to notify the provider of the Timely Filing threshold within which the claim needs to be billed.
5. **Root Cause Analysis of Denials** - Identify top drivers of denials by Payers, Denial Reasons, Procedures etc. to devise interventions.
6. **Underpayment analysis** - Identification of hidden underpayments by reconciling payment information with Insurance contract terms.
7. **Propensity to Deny Model** to improve first pass rate - Predict the possibility of a claim be denied
8. **Collectability Model** to prioritize claims for follow up/resubmissions - Prioritize claims for follow up basis its collectability from Insurance and Days-to-Pay along with several other factors
9. Above all a robust layer of **E2E reporting & BI** across diverse parameters enabling the hospital to assess its current state of denials as well as identify top drivers behind denials.



We understand the pivotal role that technology, automation, and innovation play in enhancing our operations and delivering superior services to our clients. We are sharing two case studies for reference, showcasing how our solutions have positively impacted organizations facing similar challenges. These real-world examples demonstrate the tangible results and benefits our services can bring to ARMC.

Case Study # 1:

Denials Analytics for Critical Access Hospital reduce \$2M denial charges in little over 9 months & garnered positive feedback from CFO

SITUATION

A critical access hospital with 22% initial denial rate and 14% denied charges has been seeking to understand the reasons for their high denials to identify improvement opportunities within their revenue cycle workflow

SOLUTION DESIGN

- **Root cause analysis** of historical denied claims to identify the key contributors of denials by payers, procedures, department, staff. Propensity to Deny Model : Deep dive analysis of the historical pattern of paid and denied claims from UB & EOB files led to the creation of different profiles of denied claims in combination with several other variables like line item charge, procedure code etc.

INSIGHTS

- Avg days to pay for Federal and Commercial payers is 20 days
- Contract related denials account for 86% of the denials indicating major contract related gaps between payers and the hospital
- Billing office and registration department are the topmost sources of denials which need attention

EXPECTED OUTCOME

- Reduced denial charges ~\$2M within 9 months of deployment
- Reduction of COB & Additional Documentation denials by 40%
- Created 200+ Business rules to be consumed by Business office as well as machine learning model

Case Study # 2:

Collectability Model on Insurance Follow-Up Claims generates \$350k Revenue Lift

SITUATION

- Currently, the Business Office assigns accounts for follow-up with insurance cos. basis fixed parameter
- **Collectability analytics** will enable the Business Office prioritize the accounts for insurance collections basis their propensity to pay and speed of payment.

SOLUTION DESIGN

Overview : Deep dive analysis of collectable and non-collectable claims from UB & EOB files led to the creation of several collectible claim profiles in combination with factors like Payer Name, line item charge, process code, etc.

Each claim is assigned a score by ML algorithms depicting its probability to get Collectable at claim and line item level based on **Days to Pay, Ageing and Dollar Value**

Flow for flagging claims with high probability of Collectability

```

graph LR
    A[Claim submitted to insurance - UB Files] --> B[Claims scored for collectability propensity using machine learning model]
    B --> C[Claims prioritized by collectability propensity]
    C --> D[High Collectability Propensity]
    C --> E[Low Collectability Propensity]
    D --> F[Prioritize Follow UP]
    E --> G[Prioritize process bottlenecks/payer limitations for improvement]
    F --> H[Insurance Response]
    G --> I[Continuous Feedback & Improvement]
    I --> B
    
```

INSIGHTS

- Out of total claim submission , 65% of the claims usually get paid.
- Claims with Bill Type of 851(i.e., Admit to Discharge) & 131(Regular Outpatient) are the ones those are highly collectable.
- On an average, the fully paid claims were paid within 8 days whereas Partially Paid claims were paid within 11 days

EXPECTED OUTCOME

- Annual Productivity efficiency of \$30k
- Revenue Lift of \$350k

However, we fully recognize that the adoption of such transformative technologies must be a well-considered and strategically phased process. To this end, we propose that the deployment of automation, analytics, and other tech-driven solutions should be contingent upon the receipt of tangible data and contextual factors from your end. This may include, but is not limited to, comprehensive data on claim volume, ATB aging, profiles of major payers, and a deeper dive into the intricacies of your unique operational landscape. Our collaborative journey will be marked by a strategic and iterative approach, ensuring that the integration of these technology solutions aligns seamlessly with ARMC’s specific needs, objectives, and organizational maturity.

In summary, our system and services are poised to serve as integral partners in your pursuit of operational excellence. Our commitment to data-driven decision-making and technological innovation is underpinned by a dedication to fostering a collaborative partnership with ARMC. Together, we will harness the power of insights and technology to optimize your revenue cycle management, drive tangible results, and chart a path toward operational excellence and financial success.

b. A detailed statement of the proposed Services.

Firstsource’s receivables management team can support ARMC’s revenue cycle by managing aged commercial insurance follow-up services.

- Our strong technology and analytics tools can help track the status of accounts, identify problem areas, and provide feedback loops that can prevent future denials at or before the point of claim submission
- Firstsource employees will meticulously document all events in Epic, follow all ARMC’s procedures and policies and work accounts timely
- The process of effectively recovering revenue is complex and highly reliant on data and information management that require significant technological sophistication. As one of the

most respected revenue cycle companies in healthcare, Firstsource has developed the people, processes, and technology to help you maximize reimbursement

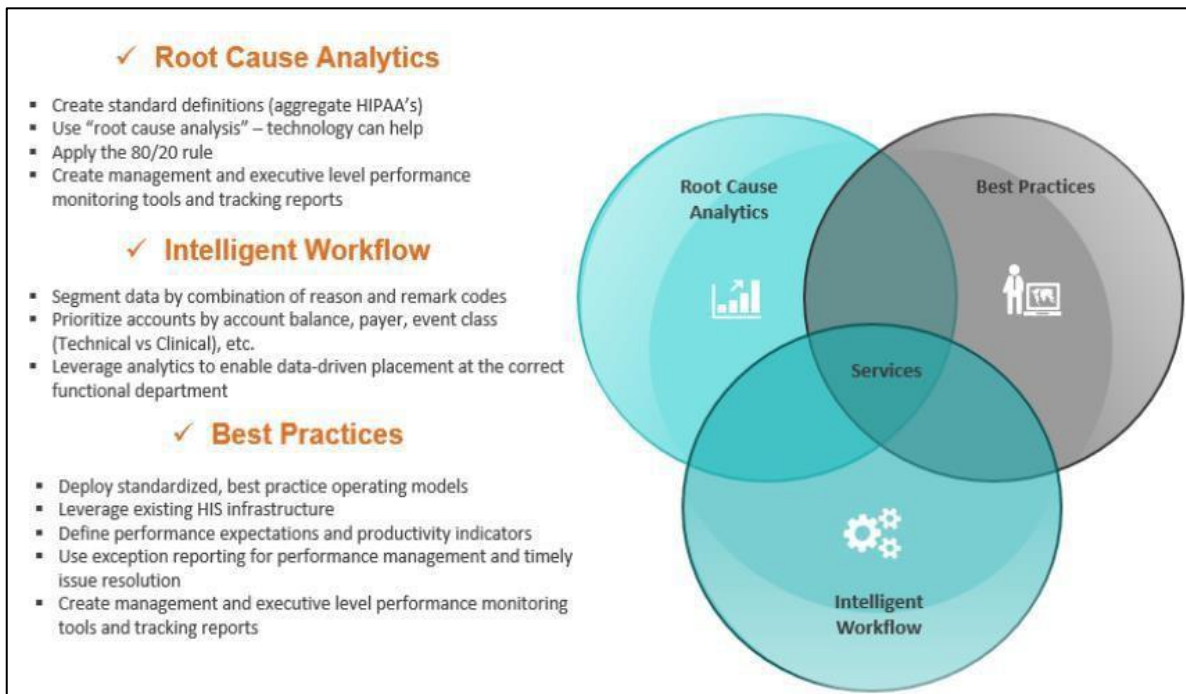
Our technology tools are key components of the Firstsource solution. These allow us to automate several decision-making steps in our services, including AR follow-up, appeals, charge corrections, claim edits, and payment posting.

Our technology allows us to automate most of the decision-making steps entailed in account liquidation.

- By integrating the use of status codes to drive the next logical event, our representatives can focus their efforts on those accounts that require focused efforts
- Anticipated payer timelines are used to predict the next work event date
- **Celonis-based process mining** can help identify and root-cause revenue bottlenecks
- **Robotics automation tools** will help optimize AR workflows by automating the look-up of clearinghouse websites to reduce subsequent claims status calls
- **Gen AI tools** for compacting time for creation and digitization of training materials. This also reduces training time and enables staff to attain ramp-up and steady state sooner.
- **AI-based copilots** enable our staff to interact with payers by obtaining appropriate information when interacting with them.
- **Yonyx** will improve decision support through integrated decision tree-driven interactive guides. Our interactions with payers will be more robust and can scale to meet your collection goals

Firstsource will utilize Epic defined work queues to segment AR. We will apply filters to segment by balance, same patient, denial reason, insurance carrier, date of service, days on work queue, last paid date, age bucket and/or specialty. Once accounts are segmented, they are routed to the appropriate representative based on the representative's skill set. This way every account is worked on by a representative with the proper training and experience to accurately perform follow-up. Our approach ensures that we place the "right account in front of the right person at the right time."

Firstsource's account representatives are assigned accounts according to payer classifications and given specific work queues. Accounts are then assigned by payer (e.g., commercial insurance, HMO, workers' compensation, managed care, Medicare and Medicaid). As specialists, our account representatives have the knowledge and expertise to effectively bill, overturn denials, dispute contractual discrepancies and maximize reimbursement. Firstsource's account representatives apply a "team" approach, which allows for a thorough familiarity with each provider's specific insurance plans and managed-care contracts. Firstsource representatives are trained to apply an aggressive approach to claim resolution for quick turnaround of the account.



Firstsource’s follow-up and denial efforts will include the following:

- Follow ARMC’s procedures to reassign accounts to the appropriate work queue for adjustments and coding and apply the follow-up activity code for electronic resubmission.
- Follow ARMC’s procedures for accessing Medical Records and, only, when necessary, for claim adjudication. When we identify a self-pay balance, we will NRP (Next Responsible Party) to the patient if there is no other insurance to cover the account.
- Identify root causes and share this information to make process improvements and begin denial prevention. Firstsource will communicate the trends as instructed by ARMC to implement improvements within the revenue cycle.
- Identify common trends by account balance, CPT code and denial reason for potential mass correction. Firstsource will communicate the trends as instructed by ARMC to implement improvements within the revenue cycle.
- Appeal, contest, and rebill aged insurance to overturn denials and generate reimbursement.
- Complete full account resolution on all referred accounts including contractual adjustments as directed by ARMC and moving balances to self-pay when appropriate.

Firstsource recognizes there are multiple causes for insurance disputes, and we have established processes to handle the various types of denials. We understand that each dispute must be handled on a case -by-case basis. The payer dictates the format and information required for dispute resolution in many instances. We follow all payer guidelines to ensure proper and prompt resolution.

Our comprehensive denials program focuses on identifying the root cause for denials so they can be prevented with our detailed workflow, and our best practice approach operating model. The following list represents our resolution process:

- **Authorizations.** Firstsource reviews for authorization in accordance with ARMC’s written policy and procedures. Firstsource will attempt to obtain retro-authorization and/or appeal as needed.

- **Timely filing.** Firstsource reviews the account to determine if a timely filing appeal can be supported and utilizes supporting documentation to file an appeal. If the patient did not provide insurance in time, Firstsource will provide a copy of the notes to prove insurance discovered past time limit to the carrier with our appeal letter.
- **Pre-existing condition.** Firstsource will attempt to retrieve the Continuation of Coverage letter from Epic to prove pre-existing condition should not apply and will file an appeal. Firstsource will follow ARMC's procedures to bill the patient when necessary.
- **Coding disputes.** Firstsource identifies coding disputes caused by incorrect ICD-10 code, incorrect CPT code, incorrect HCPCS code and bundling/unbundling. Firstsource will assign accounts in accordance with ARMC's policies and procedures to the coding work queue. Note: Firstsource representatives will not make any changes to coding.

When we determine that an account needs to be rebilled, the following systems may be accessed in conjunction with denial management:

- **Eligibility verification.** Firstsource makes every effort to verify third-party coverage prior to rebill submission. Among our approaches are:
 - **Passport.** Firstsource will use ARMC's Passport tool and procedures to ensure that the patient is eligible for the discovered insurance before we set for billing.
 - **Online verification.** We can verify coverage and benefit information online via access to payer website portals.
 - **Phone verification.** When necessary, Firstsource will make phone contact to verify coverage.
 - **Electronic and paper billing.** Firstsource will perform billing functions as defined by ARMC, using ARMC's tools and defined processes.

Epic experience including integration, billing indicators, and work queues

Firstsource receives and sends data to Epic through various channels including structured data files, API integration, HL7 messaging, etc. We are partnered with a leading Epic consulting firm to bring best-in-class integration solutions to our Epic customers. We can seamlessly consume (HL7, scheduled messaging, or any other secured protocol) and write back data to Epic through this secured data connection.

- Firstsource is a member of Epic's App Orchard development program. This provides us with all the tools necessary to provide custom integrations for our Epic clients
- Access to private Epic APIs and integration capabilities (Inbound & Outbound APIs, HL7, etc.)
- Access to Epic technical service contacts
- Firstsource has strong automation capabilities to handle workflows that Epic does not natively support

Billing Indicators

An important feature of Epic is the usage of billing indicators. Firstsource has extensive experience using billing indicators that accommodates our client's workflow. We understand that billing indicators are the source for actions to begin on Epic. These are used in measuring processes, outcomes, and performance, or any other healthcare delivery component.

We will be discussing billing indicators as one of the key items during the implementation phase. We will understand the workflows/cases when these indicators are used. We will map all used cases/billing indicators into our system so that when our agent's status an account, the appropriate action will be seamlessly integrated with Epic via the billing indicator.

Highlights of our Epic experience

Our first Epic client began placing business in **2009** using the Epic standard format. Today **~600 current Epic hospital clients place over 2 million accounts annually**. We have worked with hospitals that are on various versions of Epic (SBO) and have managed to modify the “standard” format. Therefore, the Firstsource EDI team has amassed and maintains a rich library of file extracts.

- Firstsource has 1,000+ clients with 60% of the clients are on the Epic platform
- We have implemented over 600 Epic hospitals. Our technical and operational team knows how to quickly get our program up and running
- Our U.S. based programmers are accustomed to programming to our client's specifications with Epic
- Firstsource has integrated its industry-leading digital eligibility and enrollment solution within Epic and MyChart. The app can be downloaded from Epic Marketplace.
- Collection team capabilities: A large percentage of our collection staff is fully trained on Epic
- Integrating with Epic: We have successfully established a secured messaging protocol with Epic to automate prior authorization, and unilateral update of patient notes into Epic

Epic Work queues

Firstsource works in tandem with our clients to establish work queues within Epic that best suit the type of work for which Firstsource has been contracted. This collaboration includes quarterly maintenance as well as availability for all Epic technical calls. Additionally, should work queues already exist, Firstsource can simply take over existing work queues and/or suggest modifications to existing queues that make logical sense to the type of work being allocated. Firstsource's leadership team also works with the various departments at each facility to assist in any work queue edits they may need which would impact the Firstsource work being done.

Quality assurance policies

Firstsource strives to deliver top-notch quality service for every engagement and to ensure this, we have developed a formal quality assurance program to measure outcomes, accuracy, account follow-up and other facets that contribute to exceptional performance.

Quality assurance audits include monthly meetings with ARMC to discuss any evolving issues. These meetings are attended by the assigned individuals from client development, operations and/or client services. An assigned Firstsource production auditor with responsibility to audit accounts will report on the accuracy of all data and conclusions, timely follow-up and any deviation from policies or procedures. The quality assurance audit results will be used to identify and implement any corrective action plan. These audits are performed monthly on all teammates with specific number of accounts audited per staff per month.

We have implemented several key components to ensure effective quality assurance, including:

- A workflow engine using the best practices and client-specific requirements guide our staff to consistent process management with each account. This model ensures each account is worked according to the defined best practices.

- Call recording and review to improve account representative training. Recorded calls are stored digitally up to six months.
- Pro-Hance, a productivity tool provides a daily dashboard report that serves as a performance monitor for each representative, team, department, and division.
- Exception reporting identifies accounts that have not been worked according to the best practices or that have not had activity by the date in the next work date field.
- Our internal account auditors conduct random and scheduled audits for every representative. Representatives with low scores are audited more frequently until their results improve or the representative is put on a performance improvement plan (PIP).
- Root cause analysis (RCA) reporting drives internal process improvements. Utilizing AutoStatus technology, analysis of 835 remittance data and actual representative experience, we can provide monthly root cause reporting. These are typically custom reports based on the criteria provided during the implementation process and provide the client with actionable feedback, mass correct denials and prevent future denials.
- New staff is immersed in up to 2 months of a formalized training and onboarding program.

Supplemental Technology

Embracing a "digital first, digital now" approach, we integrate advanced tools and technologies to lower costs, boost productivity, and enhance the patient's experience. Our deep-domain expertise and integrated process-technology approach can be transformative for ARMC.

Firstsource utilizes flexible and customizable healthcare account management and data processing systems.

FACS (Flexible Automated Collection System):

FACS allows account representatives to access vital account data instantly, making account processing quicker and more effective. Every office is connected to the FACS. If necessary, due to natural disaster or other unexpected event, the transfer of data and access to other offices takes place instantaneously through FACS. The account management and data processing system are a trust accounting-based system. All notes, transactions and balance transfers become a permanent record of the patient account and cannot be deleted, edited, or altered after being posted. Any change to an account balance must be made through the payment and adjustment process; and once an account is entered, it cannot be deleted, ensuring end-to-end data and account integrity for all records once entered into the FACS database. Even when archived, a shell of the original account remains, and the account detail can be retrieved. As FACS is extremely flexible it can also sort client accounts based on pre-set requirements if necessary. Data security is handled through the collector system, which encrypts sensitive fields like social security and driver's license numbers.

CUBS (Columbia Ultimate Business Systems):

CUBS is highly customizable to meet the client's needs and can segment patient accounts on the propensity-to-pay scoring model, financial class, account balance, and other vital criteria. Jobs are scheduled in CUBS to import patient accounts received from the client. Upon completion of the scheduled job, the EDI team receives an auto-generated email indicating the summary of patient accounts which includes the count and amounts of all accounts received from the client including new accounts, duplicate accounts, and rejected accounts. The EDI team schedules an automated job to extract a report from CUBS containing the patient contact details and the balance due from the patients. The jobs are configured to store output files in a specified path on a shared folder on the file server. The report is shared with vendors/clients for issuing letters to

patients, and built-in validation and edit checks ensure processing errors are detected and corrected.

Denial Analytics tool:

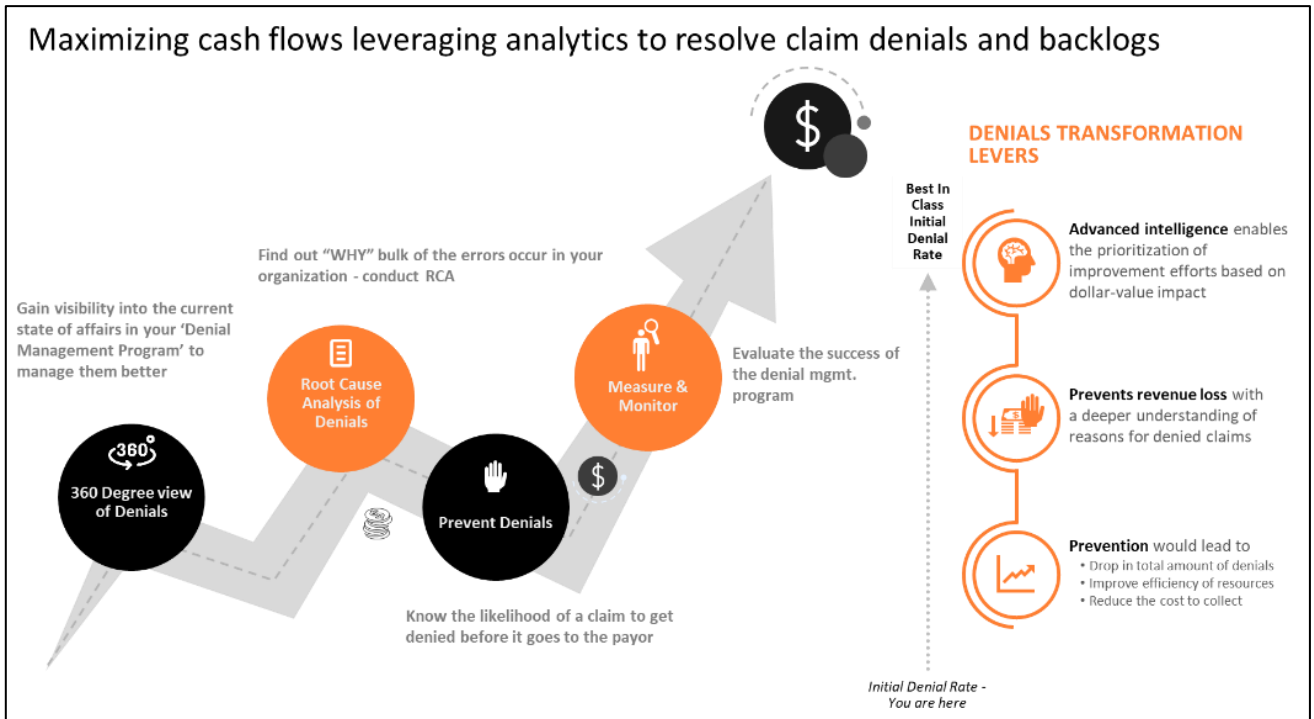
We leverage our web-based analytics tool to identify the root causes of denials with precision. This tool allows us to conduct in-depth analysis of denied claims at the revenue line level, grouping them by dollar amount and identifying common denials.

By utilizing this tool, we can generate valuable insights into the denial trends and patterns affecting hospitals' reimbursement processes. We share these findings as part of our monthly and quarterly reports package, providing hospitals with a comprehensive root cause analysis. This analysis serves as a foundation for process improvements and denial prevention strategies.

In our reports, we communicate the identified trends and root causes to hospitals, highlighting areas of improvement within the revenue cycle. Our aim is to optimize returns and facilitate a more efficient and effective insurance follow-up process. By addressing the root causes of denials, hospitals can proactively take corrective actions to prevent future denials and enhance their overall financial performance.

Furthermore, if the hospital is willing to provide us with 835 remittance files, we can further enhance our analysis by leveraging this additional source of claims status information. This enables us to determine the appropriate next work event accurately and streamline the resolution of denials in larger groups. By attacking denials systematically and in bulk, we can expedite the account resolution and reimbursement process for hospitals.

Overall, our feedback to hospitals includes actionable insights on denial trends, root causes, and recommended process improvements. By collaborating closely with hospitals and sharing this valuable information, we aim to drive continuous improvement in their revenue cycle, maximize reimbursements, and reduce future denials.



c. An explanation of any assumptions or constraints.

- The pricing structure offered for the engagement is based on the volumes provided by ARMC.
 - **Backlog volume** - \$71.3 Million in placement for 6,169 accounts
 - **Monthly/Ongoing volume** - \$3.7 Million in placement for 610 accounts
- Coding denials will be worked by Client
- Statement cost is included in the pricing
- Pricing assumes the resources to be deployed will be working remotely

WORK PLAN AND SCHEDULE

a. Summary of management/work plan for this Project.

Every customer engagement starts with an implementation plan designed by Firstsource and vetted by the customer. The implementation plan comprises specific duration for the infra setup and staff hiring. This phase is followed by training program, typically spread over 2 to 4 weeks (depending on customers' requirement) before the staff are graduated to perform the assigned tasks.

The implementation methodology used by Firstsource is based on best-in-class ways of working, refined with experience of hundreds of transitions, and tailored to the way Firstsource and the BPO industry operate. The Implementation toolkit has been designed to ensure accountability and ownership across the lifecycle of the transition with a significant focus on execution, governance, accountability, and detailed documentation. Having a structured governance framework both internally and with the client is at the core of our implementation model.

From identifying the right resources, using technology, being agile and flexible, thorough documentation, deploying experienced project manager(s), transition governance, and hand-off to the delivery lead, our project management and implementation is an integrated experience for our clients.

Firstsource's successful execution of call center projects consist of the following components:

- Project approach
- Project implementation, and
- Post-implementation project transition

Project Approach

Firstsource successfully implements the service requirements of various projects by leveraging each of the components listed below:

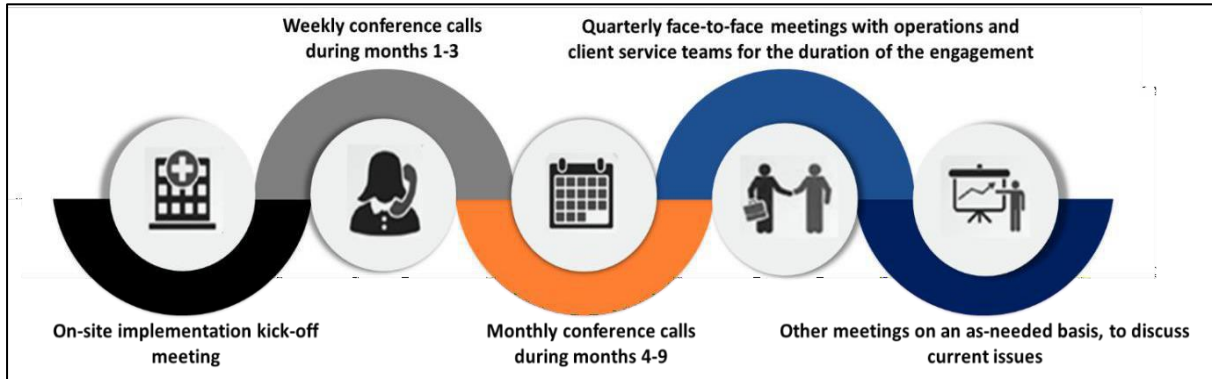


Project Implementation

Firstsource has designed a comprehensive implementation process that includes the preparation of project-specific milestones. A thorough checklist ensures that all tasks are reviewed and resolved to have a successful go live. The implementation plan also includes a list of all the documents required to ensure a successful launch.

Post-Implementation Project Management

Ongoing project management and operational governance takes precedence hereon.



The diagram above is an example of a project life cycle from start to post-implementation management.

We understand every project has unique features that require a customizable approach. The timeline and cadence of these meetings will be tailored to the customer’s requirements. System and staff ramp up can take anywhere between 30-45 days.

b. Project schedule, including quarterly meetings to review cases

Our project schedule is designed to ensure a structured and transparent engagement, emphasizing regular communication and continuous improvement. The key milestones and components include:

Tasks	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10
Contract and BAA Signed	█									
Client Kick-off	█									
Anticipated Go-Live	█	█	█	█	█	█	█	█	█	
Test Files Received			█							
Inbound & Outbound FS File Process	█	█	█	█	█	█	█	█	█	
Test Files Received			█							
HR Staffing	█	█	█	█						
IT Set up System/Remote/Portal	█	█	█	█	█					
Client-specific Training	█	█	█	█	█	█	█	█	█	
System Setup (FACS)		█								
Clerical and QA Setup (Genesis)	█									
Go-live confirmation									█	

Firstsource takes a client-centric approach in managing the processes and the governance of the processes. Firstsource’s Account Manager will work closely with the ARMC’s operational leadership and Firstsource's Leadership on every engagement to bridge communication gaps and ensure the program's overall success.

Firstsource appreciates equal participation and accountability from ARMC to ensure successful delivery of the engagement. Constant and unified communication between customer’s stakeholders/ department leads and Firstsource delivery teams will ensure that process handoffs are seamless and properly coordinated for resolving claims.

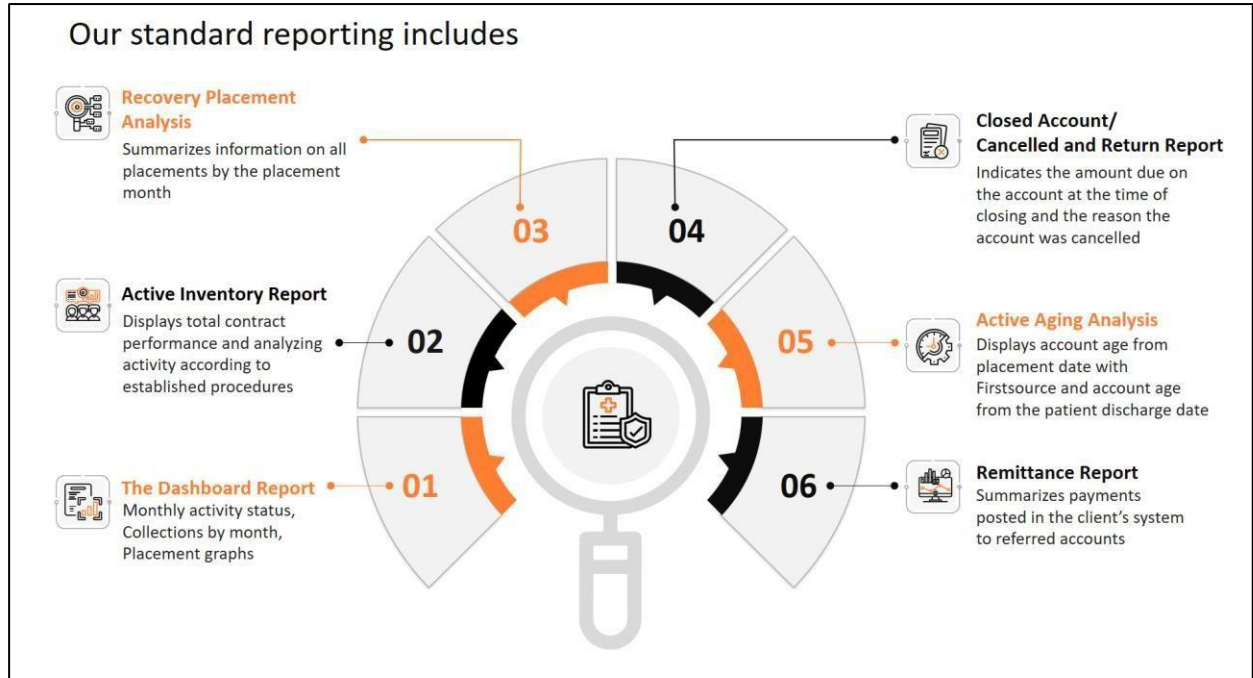
During the ongoing operations phase, the engagement will migrate to the Governance Structure. Firstsource follows a tiered approach to ensure participation from every layer of the engagement. We publish a responsibility matrix which clearly outlines Firstsource’s & ARMC’s responsibilities.

GOVERNANCE TYPE	STAKEHOLDERS	ROLE AND RESPONSIBILITIES
QUARTERLY REVIEWS	Senior executive with decades of experience in healthcare provider to oversee the overall engagement.	<ul style="list-style-type: none"> Set the strategic direction for the engagement Reviewing overall performance and relationship Identify new opportunities and set objectives for capacity planning. Address significant organizational policy, process, or technology issues
MONTHLY REVIEWS	Executive with decades of healthcare collection experience	<ul style="list-style-type: none"> Review performance of the engagement and specific processes (SLAs, metrics, resources) Addressing organizational policy, process, or technology issues Setting the direction and priorities in terms of new processes and implementation plans Resolving issues which were escalated at the Management Committee level
WEEKLY REVIEWS	Bad debt collection Director with deep domain expertise	<ul style="list-style-type: none"> Ensuring seamless transition of processes across the engagement Providing Continuous Process Improvements through Lean / 6-Sigma, Process Mining Bringing in Transformation leveraging Digital Technologies – Automation, Analytics, AI/ML
DAILY REVIEWS	Supervisors who will be responsible for leading the collection agents	<ul style="list-style-type: none"> Reviewing day to day operations and setting weekly priorities Reviewing status/ progress of all new processes Resolving outstanding issues concerning resources, technology, and operations escalated by team. Monitoring operational metrics

c. Example of reports per above SOW

Our Operations, Analytics, and Reporting (OAR) division enabled us to develop a standardized set of client reports to demonstrate our quantitative success and differentiate Firstsource from our competitors. The report creates the opportunity for Firstsource to provide consultative advice to ARMC on improving internal workflows. The report package is accompanied by commentary from client services, operations, or client development to ensure clear communication of the data and its significance.

Descriptions of our standard reports are included below.



Custom reports can also be produced. These will be discussed and agreed upon between Firstsource and ARMC prior to creation.