

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



Contract Number

25-343

SAP Number

Arrowhead Regional Medical Center

Department Contract Representative	Andrew Goldfrach
Telephone Number	(909) 580-6150
Contractor	Healthcare Reimbursement Services, Inc.
Contractor Representative	Edd Neevel
Telephone Number	(442) 234-5478
Contract Term	Effective upon execution until all relevant appeals and cost report reopening are resolved
Original Contract Amount	Contingency fee basis of 18%
Amendment Amount	
Total Contract Amount	
Cost Center	8510
Grant Number (if applicable)	N/A

Briefly describe the general nature of the contract: Professional Services Agreement with Healthcare Reimbursement Services, Inc. for the appeal of cost report adjustments and cost report reopening of the cost report for fiscal year 2013, effective upon execution until all relevant appeals and cost report reopening are resolved, on a contingency fee basis of 18%.

FOR COUNTY USE ONLY

Approved as to Legal Form

Charles Phan, Supervising Deputy County Counsel

Date 5/28/2025

Reviewed for Contract Compliance

Date

Reviewed/Approved by Department

Andrew Goldfrach, ARMC Chief Executive Officer

Date 5/28/2025



April 5, 2025

Mr. Jeff Emery
Associate Chief Financial Officer
400 North Pepper Avenue
Colton, CA 92324

RE: Professional Services Agreement for the Appeal of Cost Report Adjustments and Cost Report Reopening of the Cost Report for FY2013 Arrowhead Regional Medical Center

Dear Mr. Emery,

Healthcare Reimbursement Services, Inc. ("HRS") is pleased to submit this Professional Services Agreement ("Agreement") for the appeal of cost report adjustments to the Professional Reimbursement Review Board ("PRRB") and cost report reopening of the cost report for fiscal year end June 30, 2013 ("Cost Report") relating to Medicare Disproportionate Share Hospital ("DSH") identification, verification and review of Medicaid eligible days for San Bernardino County on behalf of Arrowhead Regional Medical Center ("Hospital"). The following is a brief description of the scope of work and professional services that will be provided.

SCOPE OF SERVICES

HRS proposes to provide professional services as it relates to preparing and timely filing an appeal on behalf of the Hospital with the PRRB relating to cost report adjustments made by the Medicare Administrative Contractor ("MAC") pertaining to Medicare DSH for Hospital for the Cost Report. HRS shall submit all necessary documentation necessary for the appeal with the PRRB and represent the Hospital before the PRRB relating to the Cost Report. The services include, but are not limited to the following:

- Prepare and file appeal letters to the PRRB to establish Medicare appeals on this issue
- Prepare and file reopening requests with the MAC relating to the issue of the appeal
- Develop strategy, perform research, and obtain documentation needed to pursue the issue
- Respond to jurisdictional challenges/denials
- Prepare and file preliminary and final position papers
- Review preliminary and final position papers from the MAC
- HRS will engage and pay for, at its own cost, an attorney to assist in handling the case and will work closely with the attorney to prepare for hearing and litigation in the event the appeal with the PRRB is unsuccessful. That preparation will include, but is not limited to, preparation of testimony, evidence, and hearing strategy.

- Perform all appeal related follow-up needed with the Medicare Program.
- Pursue issues directly to court or use expedited judicial review if, in HRS's opinion, such action is deemed warranted.
- Upon approval of the San Bernardino County Board of Superiors and San Bernardino County Office of County Counsel ("County Counsel") and at HRS's own cost (including attorney's fees and court costs), pursue unfavorable PRRB decisions to court if, in HRS's opinion and concurrence by Hospital, there is sufficient likelihood of success and sufficient reimbursement value in relation to the cost of pursuing the case. Under no circumstances may HRS pursue a lawsuit in court arising out of any unfavorable PRRB decision without the prior approval of the San Bernardino County Board of Supervisors and County Counsel.
- Negotiate a settlement with CMS if appropriate after consulting with Hospital. HRS understands that any settlement which requires execution of an agreement must be approved by the San Bernardino County Board of Supervisors.
- Review any revised settlements resulting from the appeal and any hearing decisions and provide recommendations to Hospital.

OUR DSH SOLUTION

Technology and Analytics:

The HRS process will begin with a thorough review of the Hospitals' total inpatient data file through HRS' proprietary automated system - DSHWorks. HRS will normalize the data and link the mom's and babies, scale any missing information. HRS will ensure that Medicare Part A patients have been properly removed by its system, which searches the Medicare Common Working file of all nine regions and a number of suffixes. Once HRS has a clean inpatient file, HRS will submit for state eligibility verification and compile lists of eligible patients. HRS experts will analyze the state eligibility data and specific aid codes, identify any missing information, review any exception reporting and obtain additional data, as necessary. HRS will ensure that exempt unit patients are not in the eligible Medicaid population, and can provide separate eligible lists for Rehab, as needed per hospital requirements.

Analysis

HRS' experts will make certain that HRS deals with any issues related to long lengths of stay (over the average), observation days and one day stays, eligible patients over the age of 65 years (without Part A coverage) and labor and delivery room issues. HRS' experience is vast with MACs around the country, and therefore, before the audit, we key in on the risk areas.

DSH Package & MAC

HRS will provide the Medicare DSH package to the Hospital electronically. The electronic files of the Medicaid eligible patient claims will be included in the DSH package. HRS shall prepare a comprehensive DSH package for the MAC. The report will be prepared consistently with Medicare rules and regulations, as well as HIPAA regulations. HRS will emphasize regulatory compliance in the DSH package preparation.

HRS will make every reasonable effort to complete the DSH packages in a timely manner and will notify the Hospital immediately if a problem arises that will prevent completion of the package.

TERM AND TERMINATION

This Agreement is effective upon full execution of this Agreement and will remain in effect until relevant appeals and cost report reopening (where applicable) are resolved or withdrawn. However, either party may terminate this Agreement with at least 30 days written notice to the other party.

PROFESSIONAL FEES

In consideration of the referenced services to be provided by HRS, the Hospital agrees to pay HRS, upon credit by the respective agency, a fee equal to **eighteen percent (18%)** of all reimbursement amounts (based on HRS efforts described above) recovered by way of administrative resolution, PRRB decision, CMS Administrator decision, court decision, settlement, compromise, legislative solution or otherwise. Amounts recovered shall include all recoveries (disproportionate share, capital DSH, and interest) in the form of cash payments, a decrease in liabilities or an increase in receivables related to each of the cost reporting periods described above ("Additional Reimbursement").

Hospital shall make payment for the fee set forth above within 60 days after receipt of invoice from HRS. HRS shall not issue an invoice for the fee until the Hospital receives (1) reimbursement from CMS in the form of the Additional Reimbursement or (2) final written notification from CMS or the MAC that the Hospital's liability is decreased (including a revised Notice of Program Reimbursement that reduces Hospital's liability as a result of the services provided by HRS under this Agreement).

COMPLIANCE

In accordance with HRS internal compliance program, HRS will report to the Hospital's compliance officer, or CEO if no compliance officer has been appointed, any compliance concerns identified during the course of performing these services. Hospital agrees to take appropriate action on such items. It is understood that HRS is preparing this DSH package based on data furnished by the Hospital. HRS has not audited and will not be auditing Hospital's provided data and is relying on the Hospital to ensure that accurate and verifiable data is provided. HRS will be verifying and analyzing data that is returned from the states' eligibility system.

Until the expiration of four years after furnishing the services provided under this Agreement, HRS will make available to the Secretary, U.S. Department of Health and Human Services, and the U.S. Comptroller General, and their representatives, this contract and all books, documents, and records necessary to certify the nature and extent of the costs of those services.

TERMS AND CONDITIONS

The Professional Services Standard Terms and Conditions set forth on Exhibit A, attached hereto, are incorporated herein by this reference.

CONFIDENTIALITY

HRS may provide, from time to time, confidential and proprietary information to Hospital. Hospital agrees to keep and to cause its employees and agents to keep such confidential and proprietary information in the strictest confidence in order to safeguard the confidentiality of HRS proprietary property. In order for any information to be afforded this protection, however, HRS must make such information or document "Confidential" at the time such information/documents are provided to Hospital. Additionally, nothing in the foregoing prohibits the Hospital from disclosing any information/documents where required by law.

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. To the extent that HRS receives any protected health information from Hospital to provide services under this Agreement, HRS shall comply with the attached Business Associate Agreement (Exhibit B), attached hereto and incorporated herein by this reference. HRS further agrees to comply with the requirements of other federal and state law that applies to the information collected and maintained by HRS for the services performed pursuant to this Agreement.

LEVINE ACT - CAMPAIGN CONTRIBUTION DISCLOSURE (FORMERLY REFERRED TO AS SENATE BILL 1439)

HRS has disclosed to the Hospital using Exhibit C – Levine Act - Campaign Contribution Disclosure (formerly referred to as Senate Bill 1439), whether it has made any campaign contributions of more than \$500 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 12 months before the date this Agreement was approved by the San Bernardino County ("County") Board of Supervisors. HRS acknowledges that under California Government Code section 84308, HRS is prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer for 12 months after the County's consideration of the Agreement. In the event of a proposed amendment to this Agreement, HRS will provide the County a written statement disclosing any campaign contribution(s) of more than \$500 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 HRS or by a parent, subsidiary or otherwise related business entity of HRS.

[SIGNATURE PAGE FOLLOWS]

Each party acknowledges acceptance of this Agreement, including all incorporated exhibits, and agrees to be bound by all of its terms and conditions, and represents that the person signing below has authority to execute this Agreement. This Agreement may be executed in a number of counterparts, including this separate signature page, each of which shall be deemed an original and all of which shall 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.

Agreed and Accepted by
San Bernardino County on behalf
Arrowhead Regional Medical Center:

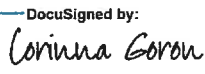

Signature

Dawn Rowe
Print Name

Chair, Board of Supervisors
Title

JUN 10 2025
Date

Agreed and Accepted by:
Healthcare Reimbursement Services, Inc.:

DocuSigned by:

AB0E53E0D0CE43A
Signature

Corinna Goron
Print Name

President
Title

5/2/2025
Date

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 San Bernardino County.
By  Deputy



Exhibit A

Professional Services Standard Terms and Conditions

Applicability – Should this Agreement not be accepted and duly signed by a representative of each party authorized to do so and an executed copy returned to HRS within sixty (60) days following the date of issuance, then HRS shall have the discretion not to be bound by any of the terms and conditions contained herein.

Ownership of Deliverables – HRS shall have an unqualified right to retain copies of work product(s) created during the course of this engagement. HRS also retains a proprietary interest in and may freely use any work approach, tools and information developed or obtained during the course of this engagement for its own purposes or in other engagements for other clients, subject to the provisions of confidentiality contained herein.

Appointment – At all times during this engagement, HRS is acting and performing as an independent contractor and no act, commission or omission by either the client or HRS shall be construed to make or constitute the other as its principal agent, joint venturer, or associate, except to the extent otherwise specified herein. HRS review, findings and recommendations are not represented as and should not be interpreted as providing legal advice regarding these matters. When seeking legal advice, the client is advised to contact expert health care legal counsel.

Non-solicitation – During this engagement and for a period of three (3) months following the termination of this Agreement, the parties agree that they or any of their employees, agents, officers, directors, or others acting on their behalf, shall not solicit, employ or otherwise engage, either directly or indirectly, any employee or former employee of the other without the express written consent of the other.

Indemnification – HRS agrees to indemnify, defend (with counsel reasonably approved by Hospital) and hold harmless the Hospital and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the Hospital on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. HRS indemnification obligation applies to the Hospital's "active" as well as "passive" negligence but does not apply to the Hospital's "sole negligence" or "willful misconduct" within the meaning of California Civil Code section 2782.

Governing Law/Venue - This Agreement shall be governed by and construed according to the laws of the State of California. Any action arising under this Agreement shall be venued exclusively in the San Bernardino County Superior Court, San Bernardino District.

Debarment and Suspension – HRS hereby represents and warrants that it is not and at no time has been convicted of any criminal offense related to health care nor has been debarred, excluded, or otherwise ineligible for participation in any federal or state government health care program, including Medicare and Medicaid. Further, HRS represents and warrants that no proceedings or investigations are currently pending or to HRS's knowledge threatened by any federal or state agency seeking to exclude HRS from such programs or to sanction HRS for any violation of any rule or regulation of such programs.

Onsite Service Provider Requirements – To the extent that HRS provides any services while on any Hospital premises, HRS shall comply with the requirements set forth on Exhibit D, attached hereto and incorporated herein by this reference.

Insurance – HRS shall comply with the insurance requirements set forth on Exhibit E, attached hereto and incorporated herein by this reference.

Relationship of the Parties – Nothing contained in this Agreement 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.

Attorneys' Fees, Waiver – If any action is brought to enforce or interpret the provisions of this Agreement, 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. No waiver of any breach of this Agreement shall constitute a waiver of any subsequent breach of the same or other provision herein.

California Consumer Privacy Act – To the extent applicable, if HRS is a business that collects the personal information of a consumer(s) in performing Services pursuant to this Agreement, HRS 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. HRS must contact the Hospital immediately upon receipt of any request by a consumer submitted pursuant to the CCPA that requires any action on the part of the Hospital, including but not limited to, providing a list of disclosures or deleting personal information. HRS must not sell, market or otherwise disclose personal information of a consumer provided by the Hospital unless specifically authorized pursuant to terms of this Agreement. HRS must immediately provide to the Hospital any notice provided by a consumer to HRS pursuant to Civil Code section 1798.150(b) alleging a violation of the CCPA, that involves personal information received or maintained pursuant to this

Agreement. HRS must immediately notify the Hospital if it receives a notice of violation from the California Attorney General pursuant to Civil Code section 1798.155(b).

Successors and Assigns – This Agreement shall be binding upon and inure to the benefit of the subsidiaries, affiliates, successors and assigns of the parties hereto. This Agreement shall not be assigned by either party without the prior written consent of the other party, which shall not be unreasonably withheld.

Unenforceability/Severability – In the event that any provision of this Agreement is found of held to be invalid, void or unenforceable by action of law or in equity, such invalidity or unenforceability shall not affect any other provision of this Agreement and the remainder shall remain in full force and effect.

Modification – Nothing in this Agreement may be waived, modified, altered or amended, except by another agreement in writing signed by the parties to be bound by it.

Notices - All written notices provided for in this Agreement 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

*Arrowhead Regional Medical Center
400 N. Pepper Avenue
Colton, CA 92324
Attn: ARMC Chief Executive Officer*

*Healthcare Reimbursement Services, Inc.
3900 American Drive, Suite 202
Plano, Texas 75075*

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

Entire Agreement - This Agreement, 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 Agreement not expressly set forth herein are of no force or effect. This Agreement 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 Agreement and signs the same of its own free will.

EXHIBIT 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 on behalf of Arrowhead Regional Medical Center (hereinafter Covered Entity) and Healthcare Reimbursement Services, Inc. (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 one (1) 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.



EXHIBIT C
Levine Act –
Campaign Contribution Disclosure
(formerly referred to as Senate Bill 1439)

The following is a list of items that are not covered by the Levine Act. A Campaign Contribution Disclosure Form will not be required for the following:

- Contracts that are competitively bid and awarded as required by law or County policy
- Contracts with labor unions regarding employee salaries and benefits
- Personal employment contracts
- Contracts under \$50,000
- Contracts where no party receives financial compensation
- Contracts between two or more public agencies
- The review or renewal of development agreements unless there is a material modification or amendment to the agreement
- The review or renewal of competitively bid contracts unless there is a material modification or amendment to the agreement that is worth more than 10% of the value of the contract or \$50,000, whichever is less
- Any modification or amendment to a matter listed above, except for competitively bid contracts.

DEFINITIONS

Actively supporting or opposing 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. All references to "Contractor" on this Exhibit refer to HRS. If a question does not apply respond N/A or Not Applicable.

- Healthcare Reimbursement Services, Inc.
1. Name of Contractor: _____
 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 ☒
 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:
Corinna Goron _____
 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):
James Ravindran, Savithri Ravindran _____
 5. Name of any parent, subsidiary, or otherwise related entity for the entity listed in Question No. 1 (see definitions above):

Company Name	Relationship
N/A	N/A

6. Name of agent(s) of Contractor:

Company Name	Agent(s)	Date Agent Retained (if less than 12 months prior)
N/A	N/A	n/A

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):
Sedley Health Law	n/a	Alan Sedley

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
Quality Reimbursement Services	James Ravindran

9. Was a campaign contribution, of more than \$500, 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 Agreement, 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 \$500 to any member of the Board of Supervisors or other County elected officer while award of this Agreement is being considered and for 12 months after a final decision by the County.

EXHIBIT D

Onsite Service Provider Requirements

A. Compliance with Hospital Policy

In performing the services and while at any Hospital facilities, HRS personnel (including subcontractors) shall (a) conduct themselves in a businesslike manner; (b) comply with the policies, procedures, and rules of the Hospital 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 Hospital; and (d) abide by all laws applicable to the Hospital 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, "Hospital Policies"). Hospital Policies, and additions or modifications thereto, may be communicated orally or in writing to HRS or HRS personnel or may be made available to HRS or HRS personnel by conspicuous posting at a Hospital facility, electronic posting, or other means generally used by Hospital to disseminate such information to its employees or Contractors. HRS shall be responsible for the promulgation and distribution of Hospital Policies to HRS personnel to the extent necessary and appropriate. Hospital shall have the right to require HRS's employees, agents, representatives and subcontractors to exhibit identification credentials issued by Hospital in order to exercise any right of access under this contract.

B. Background Checks for HRS Personnel

HRS shall ensure that its personnel (a) are authorized to work in the jurisdiction in which they are assigned to perform Services; (b) do not use legal or illegal substances in any manner which will impact their ability to provide Services to the Hospital; and (c) are not otherwise disqualified from performing the Services under applicable law. If requested by the Hospital and not in violation of applicable law, HRS shall conduct a background check, at HRS's sole expense, on all its personnel providing Services. If requested by the Hospital, HRS shall provide the results of the background check of each individual to the Hospital. Such background check shall be in the form generally used by HRS 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. HRS personnel who do not meet the Hospital's hiring criteria, in Hospital's sole discretion, shall not be assigned to work on Hospital property or Services, and Hospital shall have the right, at its sole option, to refuse access to any contract personnel to any Hospital facility.

C. Drug and Alcohol Free Workplace

C.1 In recognition of individual rights to work in a safe, healthful and productive work place, as a material condition of this contract, HRS agrees that HRS and HRS's employees, while performing service for the Hospital, on Hospital property, or while using Hospital equipment:

- C.1.1** Shall not be in any way impaired because of being under the influence of alcohol or an illegal or controlled substance.
- C.1.2** 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.1.3** Shall not sell, offer, or provide alcohol or an illegal or controlled substance to another person, except where HRS or HRS's employee who, as part of the performance of normal job duties and responsibilities, prescribes or administers medically prescribed drugs.

HRS shall inform all employees that are performing service for the Hospital on Hospital property, or using Hospital equipment, of the Hospital'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 Hospital.

C.2 The Hospital may terminate for default or breach of this contract and any other contract HRS has with the Hospital, if HRS or HRS's employees are determined by the Hospital not to be in compliance with above.

D. Employment Discrimination

During the term of the contract, HRS 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. HRS 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 Hospital laws and regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

E. Environmental Requirements

E.1 In accordance with Hospital Policy 11-08, the Hospital 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 Hospital requires HRS to use recycled paper for any printed or photocopied material created as a result of this contract. HRS is also required to use both sides of paper sheets for reports submitted to the Hospital whenever practicable.

E.2 To assist the Hospital in meeting the reporting requirements of the California Integrated Waste Management Act of 1989 (AB 939), HRS must be able to annually report the Hospital's environmentally preferable purchases. HRS must also be able to report on environmentally preferable goods and materials used in the provision of their service to the Hospital, utilizing a Hospital approved form.

F. Licenses, Permits and/or Certifications

HRS 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. HRS shall maintain these licenses, permits and/or certifications in effect for the duration of this contract. HRS will notify Hospital 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.

G. Air, Water Pollution Control, Safety and Health

HRS 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.

H. Subcontracting

H.1 HRS shall obtain Hospital's written consent, which Hospital 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 Hospital. At Hospital's request, HRS shall provide information regarding the subcontractor's qualifications and a listing of a subcontractor's key personnel including, if requested by the Hospital, resumes of proposed subcontractor personnel. HRS shall remain directly responsible to Hospital for its subcontractors and shall indemnify Hospital for the actions or omissions of its subcontractors. All approved subcontractors shall be subject to the provisions of this contract applicable to HRS Personnel.

H.2 For any subcontractor, HRS shall:

- H.2.1** Be responsible for subcontractor compliance with the contract and the subcontract terms and conditions;
and
- H.2.2** Ensure that the subcontractor follows Hospital's reporting formats and procedures as specified by Hospital.

H.3 Upon expiration or termination of this contract for any reason, Hospital will have the right to enter into direct Contracts with any of the Subcontractors. HRS agrees that its arrangements with Subcontractors will not prohibit or restrict such Subcontractors from entering into direct Contracts with Hospital.

I. Damage to Hospital Property

HRS shall repair, or cause to be repaired, at its own cost, all damages to Hospital vehicles, facilities, buildings or grounds caused by the willful or negligent acts of HRS or its employees or agents. Such repairs shall be made immediately after HRS becomes aware of such damage, but in no event later than thirty (30) days after the occurrence. If HRS fails to make timely repairs, the Hospital may make any necessary repairs. HRS, as determined by the Hospital, shall repay all costs incurred by the Hospital for such repairs, by cash payment upon demand, or Hospital may deduct such costs from any amounts due to HRS from the Hospital, as determined at the Hospital's sole discretion.

EXHIBIT E

Insurance Requirements

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

1. Without in anyway affecting any indemnity obligations provided and in addition thereto, HRS shall secure and maintain throughout the contract term the following types of insurance with limits as shown:

- a. Workers' Compensation/Employer's Liability – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of HRS and all risks to such persons under this contract. If HRS has no employees, it may certify or warrant to Hospital 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 Hospital'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.
 - b. Commercial/General Liability Insurance – HRS shall carry General Liability Insurance covering all operations performed by or on behalf of HRS providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:
 - i. Premises operations and mobile equipment.
 - ii. Products and completed operations.
 - iii. Broad form property damage (including completed operations).
 - iv. Explosion, collapse and underground hazards.
 - v. Personal injury.
 - vi. Contractual liability.
 - vii. \$2,000,000 general aggregate limit.
 - c. Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence. If HRS 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 HRS owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.
 - d. Umbrella Liability Insurance – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.
 - e. Professional Liability – Professional Liability Insurance with limits of not less than one million (\$1,000,000) per claim and two million (\$2,000,000) aggregate limits
or
Errors and Omissions Liability Insurance – Errors and Omissions Liability Insurance with limits of not less than one million (\$1,000,000) and two million (\$2,000,000) aggregate limits
- If insurance coverage is provided on a "claims made" policy, the "retroactive date" shall be shown and must be before the date of the start of the contract work. The claims made insurance shall be maintained or "tail" coverage provided for a minimum of five (5) years after contract completion.
- f. Cyber Liability Insurance - Cyber Liability Insurance with limits of no less than \$1,000,000 for each occurrence or event with an annual aggregate of \$2,000,000 covering privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. The policy shall protect the involved Hospital and cover breach response cost as well as regulatory fines and penalties.

2. **Additional Insured.** All policies, except for Worker's Compensation, Errors and Omissions and Professional Liability policies shall contain additional endorsements naming Hospital 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 Hospital to vicarious liability but shall allow coverage for Hospital to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

3. **Waiver of Subrogation Rights.** HRS shall require the carriers of required coverages to waive all rights of subrogation against Hospital, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit HRS and HRS's employees or agents from waiving the right of subrogation prior to a loss or claim. HRS hereby waives all rights of subrogation against Hospital.
4. **Policies Primary and Non-Contributory.** All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by Hospital.
5. **Severability of Interests.** HRS 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 HRS and Hospital or between Hospital and any other insured or additional insured under the policy.
6. **Proof of Coverage.** HRS shall furnish Certificates of Insurance to Arrowhead Regional Medical Center 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 Arrowhead Regional Medical Center, and HRS shall maintain such insurance from the time HRS commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this contract, HRS shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.
7. **Acceptability of Insurance Carrier.** Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A- VII".
8. **Deductibles and Self-Insured Retention.** Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.
9. **Failure to Procure Coverage.** In the event that any policy of insurance required under this contract does not comply with the requirements, is not procured, or is canceled and not replaced, Hospital 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 Hospital will be promptly reimbursed by HRS or Hospital payments to HRS will be reduced to pay for Hospital purchased insurance.
10. **Insurance Review.** Insurance requirements are subject to periodic review by Hospital. The Hospital's 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 Hospital. 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 Hospital, inflation, or any other item reasonably related to Hospital's risk. Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this contract. HRS agrees to execute any such amendment within thirty (30) days of receipt. Any failure, actual or alleged, on the part of Hospital 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 Hospital.