



Contract Number

**22-573**

SAP Number

## ARROWHEAD REGIONAL MEDICAL CENTER

Department Contract Representative  
Telephone Number

William L. Gilbert  
(909) 580-6150

Contractor  
Contractor Representative  
Telephone Number  
Contract Term  
Original Contract Amount  
Amendment Amount  
Total Contract Amount  
Cost Center

**Kaiser Permanente**  
Nancy M Ward

9182424200

### INTER-INSTITUTIONAL AGREEMENT FOR RESIDENCY ROTATIONS

This Inter-Institutional Agreement for Residency Rotations ("Agreement") is entered into as of the date this Agreement is fully executed by San Bernardino County ("County"), a political subdivision organized and existing under the constitution and laws of the State of California, on behalf of Arrowhead Regional Medical Center ("ARMC"), and Kaiser Foundation Hospitals, a California non-profit public benefit corporation ("KFH"), and Southern California Permanente Medical Group, a California partnership ("SCPMG"). KFH and SCPMG are hereinafter collectively referred to as "Kaiser Permanente". Each individually referred to as a "party" or collectively as the "parties".

**WITNESSETH:**

WHEREAS, the parties provide approved Graduate Medical Education residency programs ("GME Programs") which require clinical experiences for physician residents ("Residents") in accordance with the requirements of the Accreditation Council for Graduate Medical Education ("ACGME"); and

WHEREAS, the parties acknowledge a desire to contribute to health related education for the benefit of Resident(s) and to meet community needs; and

WHEREAS, both parties operate clinical facilities which are suitable for the training of Residents in various specialties; and

WHEREAS, it is to the benefit of the parties and of the community that the Residents in the parties' respective GME Programs have opportunities for clinical experiences and training at the other party's clinical facility(ies) to enhance their capabilities as practitioners; and

WHEREAS, by entering into this Agreement, the parties desire to set forth the terms and conditions upon which each party's Residents will conduct their training and clinical experiences at the other party's clinical facility(ies); and

NOW, THEREFORE, in consideration of the material covenants contained herein, the parties hereto agree as follows:

I. **DEFINITIONS**

"Receiving Party" means the party to which Resident(s) is(are) sent.

"Sending Party" shall mean the party from which Resident(s) is(are) sent.

II. **GENERAL RELATIONSHIP:**

A. **General Relationship.** The parties shall make their respective facilities available to Residents from the other party's GME Programs for the purpose of undergoing clinical training as the parties jointly approve and for which an ACGME Program Letter of Agreement ("PLA") has been entered into as set forth in Attachments A through C. The clinical experiences and training afforded to Residents pursuant to this Agreement shall be in accordance with ARMC and Kaiser Permanente rules and regulations

B. **Independent Contractor Status.** 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. In the performance of this Agreement, each party and its agents shall act in an independent capacity and not as officers, employees, or agents of the other party.

Except as otherwise stated in this Agreement, each Resident assigned to Receiving Party under this Agreement shall not be construed an employee of the Receiving Party for any purpose, including for salary and benefits. Each Resident shall continue to receive his/her salary and benefits, including workers' compensation benefits and professional liability insurance benefits, from the Sending Party as employees of the Sending Party.

C. **Standards of Operations.** The parties, at their own expense, shall operate and maintain their respective facilities in accordance with all applicable laws, the requirements of the ACGME, and the standards prescribed and maintained by The Joint Commission ("TJC") and other applicable accreditation bodies.

The parties shall assume sole responsibility for the accreditation of the GME Programs they sponsor and for obtaining required approval, if any, in accordance with the standards prescribed by the ACGME, or other applicable accreditation body. During the term of this Agreement, both parties agree to comply with all such ACGME or other applicable accreditation body standards for residency training.

The Sending Party shall be responsible for assigning Resident(s) from its GME Programs to specific clinical training programs at the Receiving Party's facilities. Receiving Party staff who are qualified in the applicable training program will undertake the professional activities which are expected of them during the assignment.

Unless otherwise stated in Exhibit A, and for cost-reporting purposes only, the Receiving Party will claim the Resident's FTE for those Sending Party's Residents who rotate at Receiving Party's facility(ies) for the duration of the rotation. The Sending Party agrees to release the FTE's relating to those Residents to the Receiving Party for cost-reporting purposes.

- D. Licensure. Each party shall maintain throughout the term of this Agreement any licenses necessary to operate their respective facilities and GME Programs.

### III. TRAINING ISSUE AND DUTIES

- A. Residency Specialties and Facility(ies) Involved. The specialties and facility(ies) involved in this Agreement for each party's respective GME Program are set forth in the ACGME PLAs in Attachments A through C. All PLAs shall conform to the terms and conditions of this Agreement and shall in no way contradict any provisions of this Agreement. In the event of any conflict or inconsistency between any PLA and this Agreement, this Agreement shall control. In no event shall the expiration date of any PLA exceed beyond the expiration date of this Agreement. In the event this Agreement is terminated, all PLAs attached to this Agreement shall terminate as of the date of termination of this Agreement. The number of Residents that will be sent from Sending Party to Receiving Party for each specialty involved is stated in Exhibit A or as otherwise mutually agreed upon by the parties if no such number is stated in Exhibit A.

The parties understand and agree that the decision to assign Resident(s) to rotations at the other facility is at the sole discretion of the Sending Party's administration, Graduate Medical Education Committee and the individual specialty Residency Program Director. As such, each party understands and agrees that Programs are under no obligation whatsoever to provide Resident(s) in training to the other party other than the Resident(s) of the specialties listed in Exhibit A attached hereto and incorporated herein by reference.

- B. Research. Research shall only be undertaken at either party when approved by that party's administration, the relevant Institutional Review Boards, the patient and the patient's treating physician.
- C. Site Director and Supervising Physicians. The Sending Party's designated administrator, the Designated Institutional Official ("DIO"), and/or the individual specialty Residency Program Director, in collaboration with same persons, or equivalent, at Receiving Party, will identify the supervising physicians at Receiving Party for all training at Receiving Party's facility(ies) ("Supervising Physicians"). Both the DIO and the individual specialty Residency Program Director(s) of the Sending Party shall be available, at reasonable times, to Receiving Party administration and to the Receiving Party Supervising Physicians to address questions which may arise with respect to the evaluation and supervision of the Residents' performance.

The Receiving Party individual specialty Residency Program Director(s) shall be available, at reasonable times, to Receiving Party's administration and to the Supervising Physicians in order to address questions which may arise with respect to the evaluation and supervision of the Residents' performance.

- D. Patients. The parties agree that all patients on affiliated services may be part of the clinical training program, if agreed to by the patient's treating physician and the patient. It is understood and agreed that it is the responsibility of the parties and their respective medical staff members to assure consent has been obtained from each patient prior to allowing Resident(s) to attend to any patient.
- E. Confidentiality. The parties both agree to maintain confidentiality of patient records and information in accordance with all state and federal laws, regulations, guidelines and directives relating to confidentiality of patient records.
- F. Non-Discrimination. The parties agree to make no distinction among Resident(s) covered by this Agreement on the basis of age, race, color, sex, sexual orientation, religion, national origin, or any other status protected by California and federal laws.
- G. Resident(s) Decorum. The Receiving Party shall notify both the Sending Party's Administrator and the individual specialty Residency Program Director, if any Resident's conduct is found unacceptable to the Receiving Party. The Sending Party shall take appropriate action to correct the unacceptable conduct of the Resident(s). The Sending Party shall advise Resident(s) of their responsibility to abide by the Receiving Party's policies and procedures, as applicable, including, but not limited to, patient confidentiality and the Drug Free Workplace Act. The Receiving Party agrees to orient such Resident(s) to its policies and procedures for which they will be held accountable. Each party agrees to provide the other with its own Resident Information Handbook or equivalent, which includes general policies regarding graduate medical education training.
- H. Resident Corrective Action/Grievance. The Sending Party will adhere to their own policies concerning Graduate Medical Education issues, including academic discipline, Resident complaints and grievances for their Resident(s). The Receiving Party will not initiate corrective action or grievance with respect to any Sending Party's Resident(s). Notwithstanding the foregoing, each Party may unilaterally not permit a given Resident to participate in training at their own facility with appropriate notification as noted above.
- I. Health Verification. Each party shall assure that all Resident(s) assigned by them for rotations under this Agreement have complied with all applicable health requirements required by the Receiving Party, including any required vaccinations. Each party also agrees to maintain all current Resident(s) applicable health records. Each party agrees to assure that their Resident(s) have been trained in infection control procedures, maintain a current CPR certificate, and is current with required immunizations.
- J. Medical Licensure. All Resident(s) that undergo rotations under this Agreement shall meet and comply with either the requirements regarding state medical licensure or the postgraduate training license requirements of the Medical Board of California or Osteopathic Board of California, as appropriate. Each party shall assure appropriate compliance prior to the Resident(s)' assignment to the Receiving Party. The parties shall maintain such licensure information at the Sending Party's Graduate Medical Education Office.

Each party shall also ensure that their Residents are not sanctioned, debarred, precluded or excluded from any from any federal program or identified on any list of excluded individuals.

K. Resident Duties. The Sending Party shall assign to the Receiving Party, when appropriate, Resident(s) who are training in a specialty listed on Exhibit "A" attached hereto and incorporated herein by reference. Such assignments shall customarily be for a minimum rotation of one month, unless otherwise specified in the PLA. The general duties of the Resident(s) shall include, but not be limited to, the following: histories and physical examinations, discharge summaries, consultations, care for inpatients and respective services, surgery and medical procedures and outpatient clinic service, as appropriate, and as further specified in the applicable PLA.

L. Medical Records. Medical records may be completed by the Resident(s) in compliance with regulatory agencies. The parties understand and agree, however, that ultimate and final responsibility for medical record completion lies with each party's medical staff members and/or Supervising Physician, not the Resident(s) undergoing rotation at the Receiving Party.

M. Commitment to Training and Supervision. The parties shall endeavor to:

1. Assist in the planning and implementation of the clinical education program and to supervise and instruct the assigned Resident(s) during their clinical experience at the Receiving Party;
2. Permit assigned Resident(s) to use its patient care and patient service facilities for clinical education according to the mutually approved curricula;
3. Retain responsibility for nursing care and related duties when Resident(s) are providing care to any patient;
4. Permit the use of such supplies and equipment by Sending Party's Residents as are commonly available to Receiving Party's own Residents for patient care;
5. Permit use by Sending Party's Residents of the following facilities and services of Receiving Party at such times and to the degree considered feasible by the parties:
  - parking areas;
  - locker, storage and dressing facilities, as available;
  - access to sources of information for clinical education purposes such as charts, nursing station references, cardex files;
  - procedure guides, policy manuals;
  - medical dictionaries, pharmacology references and other references suitable to the clinical area;
6. Retain the right to remove, suspend or refuse access to any of its areas to Resident(s) who fail to abide by the Receiving Party's policy(ies) and procedure(s) and/or who do not meet its employee standards for safety, health, cooperation, or ethical behavior pending investigation and resolution of the matter by the Receiving Party in consultation with the Sending Party's administration and the individual specialty Residency Program Director. It is

understood and agreed that the Resident(s)' rotation at the Receiving Party shall not entitle the Resident(s) to any hearing or appeal process at the Receiving Party regarding the contents of this provision;

7. Comply with federal, state and local laws and ordinances concerning the confidentiality of Resident records as appraised by the each party; and
  8. Invite the participation of Resident(s) to such educational activities as conferences, rounds, and similar experiences including utilization review, quality assurance and evaluation and monitoring activities, as appropriate.
- N. Resident Supervision/Evaluation. While obtaining training at the Receiving Party, the clinical activities of Resident(s) shall be appropriately supervised at all times by Supervising Physicians of Receiving Party. The Supervising Physicians shall be responsible for the overall direction and management of the Resident(s)' performance while at the Receiving Party. The Supervising Physician at Receiving Party agrees to provide to Sending Party's Residency Program written reports which document and evaluate both the participation of the Resident(s) in procedures and activities and the skills with which they were performed. The Sending Party shall provide appropriate evaluation forms to the Receiving Party's Supervising Physicians and arrange the return of the forms. Various personnel at the Receiving Party may also be asked to evaluate the Resident(s), as appropriate. Such forms and reports shall be returned to Receiving Party within the timeframe reasonably requested by Sending Party.
- O. Medical Staff Membership. The presence of Resident(s) at the Receiving Party is based solely upon their continued participation in the Sending Party's GME Program. As such, it is understood and agreed that Resident(s) assigned to the Receiving Party shall not be granted Medical Staff membership or privileges at the Receiving Party during their rotation as part of their educational requirement in the GME Program.
- P. Duty Hour Auditing. The Receiving Party agrees to audit the duty hours of Residents assigned to it and will assure that these duty hours will not exceed the Duty Hour restrictions imposed by ACGME.
- Q. ACGME Business Associate Agreement. Each Party affirms it has signed a Business Associates Agreement with ACGME where required.

#### IV. PAYMENT

Each party shall be compensated by the other party in accordance with Exhibit A.

#### V. TERM AND TERMINATION

- A. This Agreement is effective as of the date fully executed and will continue for a term of five (5) years, unless earlier terminated pursuant to the provisions of this Agreement.
- B. Either party may terminate this Agreement for any reason with at least sixty (60) days written notice to the other party. Any Resident(s) rotating at the Receiving Party's facility on the date of termination will be permitted to continue the rotation until the end of that academic year (duration known as the "Period") as long as (1) the Sending Party agrees to continue to allow Receiving Party to count that Resident as an FTE for cost-reporting purposes during that Period, (2) the Receiving Party does not determine that allowing the Resident to continue the rotation will materially adversely affect the Receiving Party, and (3) if applicable, the Sending Party continues to compensate the Receiving Party

In accordance with Exhibit A for the Resident(s) at issue during that Period. The scope of each party's indemnification obligation under this Agreement shall include the Period.

- C. Either party may terminate this Agreement immediately with notice to the other party in the event of the following:
1. The other party engages in an act or omission that results in the threatened or potential for loss of the accreditation or licensure of either party;
  2. The other party becomes insolvent or files a petition to declare bankruptcy or for reorganization under the bankruptcy laws of the United States, or a trustee in bankruptcy or a receiver is appointed by appropriate authority for that other party;
  3. The other party is debarred, excluded, suspended, or precluded from participation in a state or federal healthcare program, including, but not limited to Medicare and Medicaid/Medi-Cal;
  4. The other party engages in fraud, waste, or abuse in violation of state or federal laws; and/or
  5. A material breach caused by the other party that cannot be cured.
- D. A party's right of termination under this Agreement, and the exercise of any such right, shall be without prejudice to any other right or remedy (including any right to claim damages) that such party may have in the event of a breach of contract or other default by the other party.

## **VI. INDEMNIFICATION AND INSURANCE**

### **A. Insurance:**

1. County and Kaiser Permanente shall maintain insurance as set forth in Exhibit B.
2. The Sending Party shall extend its usual workers' compensation insurance to cover its residents who rotate at Receiving Party's facility(ies) under this Agreement for the duration of the resident's rotation at Receiving Party's facility(ies).
3. County and Kaiser Permanente may satisfy the requirements of this Section of the Agreement through an equivalent program of self-insurance and shall, upon request, present the other party with a certificate of insurance to evidence within ten (10) days after the request.

### **B. Indemnification:**

1. County/ARMC shall indemnify and hold harmless (and at Kaiser Permanente's request, defend with counsel approved by Kaiser Permanente) Kaiser Permanente, its officers, employees and agents from and against any and all demands, debts, liens, claims, loss, damage, liability, costs, expenses, judgments, or obligations, actions or causes of action, (including the payment of attorneys' fees and expenses actually incurred whether or not litigation be commenced) for or in connection with injury or damage including, but not limited to, death to any person or damage to property resulting from or in any way connected with the performance of or failure to perform obligations hereunder by County, its officers, employees, and ARMC Residents who are assigned to and rotate through Kaiser Permanente's facilities under this Agreement. Kaiser Permanente, for purposes of this indemnity, is the Kaiser Permanente Medical Care

Program, which includes Kaiser Foundation Hospitals, Kaiser Foundation Health Plan, Inc. and its subsidiaries, and Southern California Permanente Medical Group, and other affiliated Permanente Medical Groups, and their respective officers, directors, employees, shareholders, consultants, and agents.

2. Kaiser Permanente shall indemnify and hold harmless (and at County/ARMC's request, defend with counsel approved by County) the County, its employees, and agents from and against any and all demands, debts, liens, claims, loss, damage, liability, costs, expenses, judgments, or obligations, actions or causes of action, (including payment of attorneys' fees and expenses actually incurred whether or not litigation be commenced) for or in connection with injury or damage including, but not limited to, death to any person or damage to property resulting from or in any way connected with the performance of or failure to perform obligations hereunder by Kaiser Permanente, its officers, directors, employees, and Kaiser Permanente Residents who are assigned to and rotate through ARMC's facilities under this Agreement.
3. In the event that County and/or Kaiser Permanente is found to be comparatively at fault for any claim, action, loss, or damage which results from their respective obligations under the Agreement, the County and/or Kaiser Permanente shall indemnify the other to the extent of its comparative fault.

## **VII. MISCELLANEOUS PROVISIONS**

- A. Governing Law and Venue: This Agreement is made and entered into in the State of California, and shall in all respects be interpreted, enforced, and governed by and under the laws of the State of California. Any action arising under this Agreement shall be venued exclusively in the San Bernardino Court Superior Court, San Bernardino District.
- B. Debarment and Suspension: Each party 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, each party represents and warrants that no proceedings or investigations are currently pending or to the party's knowledge threatened by any federal or state agency seeking to exclude that party from such programs or to sanction that party for any violation of any rule or regulation of such programs.
- C. Notices. Any written notice given under this Agreement shall be sent by personal delivery or by postage prepaid, certified mail, return receipt requested, to the following person(s) as the case may be:

To County/ARMC:

ARROWHEAD REGIONAL MEDICAL CENTER  
400 N. Pepper Avenue  
Colton, CA 92324  
Attn: Director, Medical Center

To Kaiser Permanente:

393 E. Walnut Street, 5<sup>th</sup> Floor  
Pasadena, California 91188  
Attn: Regional Director, Graduate Medical Education

Notice sent by personal delivery shall be effective as of the date of delivery. Notices sent by any other means as permitted under this Agreement shall be effective two business days after being sent.

- D. **Modification**: No modification, amendment, supplement to, or waiver of any provision of this Agreement shall be binding upon the parties unless made in writing and duly signed by all parties.
- E. **Assignment**: Neither party hereto shall assign its rights or obligations under this Agreement without the express written consent of the other party.
- F. **Rules of Construction**: The language in all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against either party. Section headings and titles in this Agreement are for convenience only and are not to be construed as a part of this Agreement or in any way limiting or amplifying the provisions hereof. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identifications of the person or persons, firm or firms, corporation or corporations may require.
- G. **Entire Agreement**: This Agreement, together with the attached Exhibits and Attachments, contains the final, complete, and exclusive agreement between the parties hereto. Any prior agreements, 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. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision whether or not similar nor shall any waiver constitute a continuing waiver.
- H. **Conflict of Interest**: The parties hereto and their respective employees or agents shall have no interest, and shall not acquire any interest, direct or indirect, which will conflict in any manner or degree with the performance of services or obligations required by this Agreement.
- I. **Severability**: The provisions of this Agreement are specifically made severable. If any clause, provision, right and/or remedy provided herein is or becomes unenforceable or inoperative, the remainder of this Agreement shall be enforced as if such clause, provision, right and/or remedy were not contained herein.
- J. **Authorization**: The undersigned individuals represent that they are fully authorized to execute this Agreement on behalf of the named parties.
- K. **Standards and Regulatory Compliance**: All applicable provisions of law and other rules and regulations of any and all governmental authorities relating to the licensure and regulation of the parties and to the operation of their respective GME Program shall be fully complied with by all parties hereto.
- L. **Exclusivity**: This Agreement is nonexclusive and does not affect either party's ability to contract with other entities.
- M. **Counterparts**: This Agreement may be executed in counterparts, and all such counterparts together shall constitute the entire agreement of the parties hereto. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS whereof, this Agreement has been executed by the parties hereto as of the day and year set forth below.

SAN BERNARDINO COUNTY

KAISER FOUNDATION HOSPITALS

*Dawn M. Rowe*

By *Julie Miller-Phipps*

~~Curt Hagman, Chairman, Board of Supervisors~~  
Dawn M. Rowe, *vice Chair*  
Dated: JUN 28 2022

Name: Julie Miller-Phipps  
President  
Southern California and Hawaii Markets

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

Dated: 6/3/2022

Lynna Monell  
Clerk of the Board of Supervisors  
San Bernardino County

Address \_\_\_\_\_  
\_\_\_\_\_

By *Lynna Monell*  
Deputy



SOUTHERN CALIFORNIA PERMANENTE MEDICAL GROUP ("SCPMG")

By: *Ramin Davidoff*  
Ramin Davidoff, MD  
Executive Medical Director and Chair –  
SCPMG  
Chair and CEO – Hawaii Permanente Medical  
Group ("HPMG")

5/28/2022  
Date

Approved as to Legal Form  
*Charles Phan*  
Charles Phan, Deputy County Counsel  
Date 6/17/2022

Reviewed by Contract Compliance  
\_\_\_\_\_  
Date \_\_\_\_\_

Reviewed/Approved by Department  
*William L. Gilbert*  
William L. Gilbert, Director  
Date \_\_\_\_\_

## EXHIBIT A

### RESIDENT ASSIGNMENTS AND PAYMENT

#### I. Resident Assignments

- A. Residents of the Sending Party may be assigned by their Program Director in collaboration with the Site Director at the Receiving Party's facilities, as may be agreed upon by the parties.

#### II. Specialties, Payment, and Billing

##### A. Sports Medicine

ARMC's family medicine residents shall be permitted to conduct rotations in sports medicine at Kaiser Permanente's facility located in Fontana. The number of ARMC family medicine residents that will conduct rotations in sports medicine at the Kaiser Permanente facility located in Fontana and the duration of each rotation will be mutually agreed upon by ARMC and Kaiser Permanente. The PLA set forth in Attachment C shall govern the rotation of ARMC family medicine residents in sports medicine at Kaiser Permanente's facility in Fontana.

Neither party shall be compensated by the other party for ARMC's family medicine residents conducting rotations in sports medicine at Kaiser Permanente's facility located in Fontana under this Agreement.

##### B. General Surgery

ARMC's general surgery residents shall be permitted to conduct rotations at Kaiser Permanente facilities located in Fontana and Ontario. The number of ARMC general surgery residents that will rotate at those facilities and the duration of each rotation will be mutually agreed upon by ARMC and Kaiser Permanente. The PLAs set forth in Attachments A and B shall govern the rotation of ARMC general surgery residents at Kaiser Permanente's facilities in Fontana and Ontario, respectively.

During the term of this Agreement, Kaiser Permanente shall compensate ARMC/County for the general surgery residents conducting rotations at Kaiser Permanente's Facilities in Fontana and Ontario, up to a maximum of eight (8) residents (FTEs). For the avoidance of doubt, Kaiser Permanente shall have no obligation to compensate ARMC/County if more than eight (8) FTE ARMC general surgery residents conduct rotations at Kaiser Permanente. Subject to the foregoing, Kaiser Permanente shall compensate ARMC/County on a pro rata basis, at the rates set forth in the chart below in accordance with the yearly total position cost based on the resident's post-graduate year ("PGY") status, pro-rated for the duration of the applicable residents' rotation. The rates for each PGY level may increase for each academic year upon 60 days prior written notice by ARMC/County (or the ARMC Graduate Medical Education department) to Kaiser Permanente.

ARMC/County shall invoice Kaiser Permanente based on the number of general surgery residents rotating at Kaiser Permanente's facility(ies) monthly. Invoices shall be sent on the first business day of every month for the rotations occurring in the prior month. Kaiser Permanente agrees to pay such invoices within sixty (60) days following receipt of the invoice. Except as set forth in this Section II(B) of this Exhibit A, there shall be no other invoicing or payment between the parties to this Agreement for direct or indirect Training Program costs relating to the rotation of ARMC's general surgery residents at Kaiser Permanente's facilities under this Agreement. Neither party will assume or become liable for any of the existing or future obligations, liabilities, or debt of the other. Notwithstanding anything in this Exhibit A to the contrary, the terms of this Exhibit A are not intended to, and do not, modify the parties' indemnification obligations set forth in Section VI of the Agreement.

<b>Resident Program Year</b>	<b>PGY I</b>	<b>PGY II</b>	<b>PGY III</b>	<b>PGY IV</b>	<b>PGY V</b>
<b>Yearly Salary</b>	\$58,500	\$61,445	\$64,196	\$67,104	\$70,869
<b>Benefits</b>	\$18,471	\$18,471	\$18,471	\$18,471	\$18,471
<b>Yearly Total Position Cost</b>	<b>\$76,971</b>	<b>\$79,916</b>	<b>\$82,667</b>	<b>\$85,575</b>	<b>\$89,340</b>

For services relating to administration and coordination of the Arrowhead Regional Medical Center/Kaiser Permanente (Fontana) ACGME Surgery Residency program, County agrees to pay Kaiser Permanente the sum of \$30,000 per contract year. Kaiser Permanente will invoice County on a monthly basis. The monies will help support the administrative support services.

## EXHIBIT B

### INSURANCE

#### I. Insurance

County and Kaiser Permanente each agree to provide insurance or a program of self-insurance as set forth in accordance with the requirements herein. If County or Kaiser Permanente uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, County and Kaiser Permanente agrees to amend, supplement or endorse the existing coverage to do so.

Without in any way affecting the indemnity provided in the Agreement and in addition thereto, the parties shall secure and maintain throughout the term of the Agreement the following types of insurance with limits as shown:

- Workers' Compensation – 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 employees, Instructors, Residents, and volunteers providing services on behalf of the named insured and all risks to such persons under this Agreement.
- Commercial/General Liability Insurance –General Liability Insurance covering all operations performed by or on behalf of the named insured, 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:
  1. Premises operations.
  2. Products and completed operations.
  3. Broad form property damage (including completed operations).
  4. Personal injury.
  5. Contractual liability.
  6. \$2,000,000 general aggregate limit.
- Professional Liability – Professional liability insurance with limits of at least \$1,000,000 per claim or occurrence and \$3,000,000 aggregate limits covering the named insured, its employees and agents, including Residents that rotate at Receiving Party's facilities. The Sending Party shall ensure that its Professional Liability insurance provides coverage for the residents that it sends to the Receiving Party for conduct that occurs in the course and scope of rotations at Receiving Party's facility(ies).
- Excess Liability Insurance - An excess policy may be used to comply with limits or other primary coverage requirements. When used, the excess policy shall apply to bodily injury/property damage, and personal injury/advertising injury.

#### II. Severability of Interests

Each of County and Kaiser Permanente 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 Kaiser Permanente and the County or between the County and any other insured or additional insured under the policy.

**III. Proof of Coverage**

Each party agrees to furnish Certificates of Insurance to the other party evidencing the insurance coverage set forth in this Exhibit B, prior to the commencement of performance of services hereunder and upon the other party's request.

**IV. Acceptability of Insurance Carrier**

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".

**V. Failure to Procure Coverage**

In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured by a party, or is canceled and not replaced by similar coverage, the other party has the right but not the obligation or duty to cancel the Agreement.