

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND PENINSULA UROLOGY, LLC**

This Agreement is entered into this \_\_\_\_ day of \_\_\_\_\_, 2017, by and between the County of San Mateo, a political subdivision of the state of California, hereinafter called "County," and Peninsula Urology, LLC, hereinafter called "Contractor."

\* \* \*

Whereas, pursuant to Section 31000 of the California Government Code, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof; and

Whereas, it is necessary and desirable that Contractor be retained for the purpose of urological portable laser services.

**Now, therefore, it is agreed by the parties to this Agreement as follows:**

**1. Exhibits and Attachments**

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

- Exhibit A—Services
- Exhibit B—Payments and Rates
- Exhibit E—Corporate Compliance SMMC Code of Conduct

**2. Services to be performed by Contractor**

In consideration of the payments set forth in this Agreement and in Exhibit B, Contractor shall perform services for County in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A.

**3. Payments**

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, County shall make payment to Contractor based on the rates and in the manner specified in Exhibit B. County reserves the right to withhold payment if County determines that the quantity or quality of the work performed is unacceptable. In no event shall County's total fiscal obligation under this Agreement exceed ONE MILLION TWO HUNDRED NINETEEN THOUSAND ONE HUNDRED SEVENTY SIX DOLLARS (\$1,219,176). In the event that the County makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the County at the time of contract termination or expiration. Contractor is not entitled to payment for work not performed as required by this Agreement. All invoices must be approved by the Director of Payor and Provider or their designee and paid within 30 days of receipt of the invoice. Invoices must be sent to: [SMMC-Accounts-Payable@smcgov.org](mailto:SMMC-Accounts-Payable@smcgov.org). Processing time may be delayed if invoices are not submitted electronically.

**4. Term**

Subject to compliance with all terms and conditions, the term of this Agreement shall be from October 1, 2017, through September 31, 2020.

**5. Termination**

This Agreement may be terminated by Contractor or by the Chief of the Health System or his/her designee at any time without a requirement of good cause upon thirty (30) days' advance written notice to the other party. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that prorated portion of the full payment determined by comparing the work/services actually completed to the work/services required by the Agreement.

County may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon the unavailability of Federal, State, or County funds by providing written notice to Contractor as soon as is reasonably possible after County learns of said unavailability of outside funding.

County may terminate this Agreement for cause. In order to terminate for cause, County must first give Contractor notice of the alleged breach. Contractor shall have five business days after receipt of such notice to respond and a total of ten calendar days after receipt of such notice to cure the alleged breach. If Contractor fails to cure the breach within this period, County may immediately terminate this Agreement without further action. The option available in this paragraph is separate from the ability to terminate without cause with appropriate notice described above. In the event that County provides notice of an alleged breach pursuant to this section, County may, in extreme circumstances, immediately suspend performance of services and payment under this Agreement pending the resolution of the process described in this paragraph. County has sole discretion to determine what constitutes an extreme circumstance for purposes of this paragraph, and County shall use reasonable judgment in making that determination.

**6. Contract Materials**

At the end of this Agreement, or in the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and other written materials (collectively referred to as "contract materials") prepared by Contractor under this Agreement shall become the property of County and shall be promptly delivered to County. Upon termination, Contractor may make and retain a copy of such contract materials if permitted by law.

**7. Relationship of Parties**

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent contractor and not as an employee of County and that neither Contractor nor its employees acquire any of the rights, privileges, powers, or advantages of County employees.

**8. Hold Harmless**

**a. General Hold Harmless**

Contractor shall indemnify and save harmless County and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Contractor under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

- (A) injuries to or death of any person, including Contractor or its employees/officers/agents;
- (B) damage to any property of any kind whatsoever and to whomsoever belonging;

(C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or

(D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County and/or its officers, agents, employees, or servants. However, Contractor's duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

**9. Assignability and Subcontracting**

Contractor shall not assign this Agreement or any portion of it to a third party or subcontract with a third party to provide services required by Contractor under this Agreement without the prior written consent of County. Any such assignment or subcontract without County's prior written consent shall give County the right to automatically and immediately terminate this Agreement without penalty or advance notice.

**10. Insurance**

**a. General Requirements**

Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this Section has been obtained and such insurance has been approved by County's Risk Management, and Contractor shall use diligence to obtain such insurance and to obtain such approval. Contractor shall furnish County with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to County of any pending change in the limits of liability or of any cancellation or modification of the policy.

**b. Workers' Compensation and Employer's Liability Insurance**

Contractor shall have in effect during the entire term of this Agreement workers' compensation and employer's liability insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, that (a) it is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and (b) it will comply with such provisions before commencing the performance of work under this Agreement.

**c. Liability Insurance**

Contractor shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or an agent of either of them.

Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below:

- (a) Comprehensive General Liability... \$1,000,000
- (b) Professional Liability..... \$1,000,000

County and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that (a) the insurance afforded thereby to County and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the County or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work and payment pursuant to this Agreement.

**11. Compliance With Laws**

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Federal Regulations promulgated thereunder, as amended (if applicable), the Business Associate requirements set forth in Attachment H (if attached), the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

The parties agree that, pursuant to Section 70713 of Title 22 of the California Code of Regulations ("Title 22"), San Mateo Medical Center retains all professional and administrative responsibility for services rendered under this Agreement to the extent that such services are subject to Title 22 and are rendered by a "qualified professional person" as used in Section 70713, and the parties further agree in that instance that this Agreement is otherwise subject to any applicable requirements of Title 22.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

**12. Non-Discrimination and Other Requirements**

**a. General Non-discrimination**

No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

**b. Equal Employment Opportunity**

Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County upon request.

**c. Section 504 of the Rehabilitation Act of 1973**

Contractor shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified individual with a disability shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of any services this Agreement. This Section applies only to contractors who are providing services to members of the public under this Agreement.

**d. Compliance with County's Equal Benefits Ordinance**

Contractor shall comply with all laws relating to the provision of benefits to its employees and their spouses or domestic partners, including, but not limited to, such laws prohibiting discrimination in the provision of such benefits on the basis that the spouse or domestic partner of the Contractor's employee is of the same or opposite sex as the employee.

**e. Discrimination Against Individuals with Disabilities**

The nondiscrimination requirements of 41 C.F.R. 60-741.5(a) are incorporated into this Agreement as if fully set forth here, and Contractor and any subcontractor shall abide by the requirements of 41 C.F.R. 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

**f. History of Discrimination**

Contractor certifies that no finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or any other investigative entity. If any finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or other investigative entity, Contractor shall provide County with a written explanation of the outcome(s) or remedy for the discrimination prior to execution of this Agreement. Failure to comply with this Section shall constitute a material breach of this Agreement and subjects the Agreement to immediate termination at the sole option of the County.

**g. Reporting: Violation of Non-discrimination Provisions**

Contractor shall report to the County Manager the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the Agreement or the Section titled "Compliance with Laws". Such duty shall include reporting of the filing of any and all charges with the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or any other entity charged with the investigation or adjudication of allegations covered by this subsection within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include a general description of the circumstances involved and a general description of

the kind of discrimination alleged (for example, gender-, sexual orientation-, religion-, or race-based discrimination).

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to the following:

- i. termination of this Agreement;
- ii. disqualification of the Contractor from being considered for or being awarded a County contract for a period of up to 3 years;
- iii. liquidated damages of \$2,500 per violation; and/or
- iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this Section, the County Manager shall have the authority to offset all or any portion of the amount described in this Section against amounts due to Contractor under this Agreement or any other agreement between Contractor and County.

#### **h. Compliance with Living Wage Ordinance**

As required by Chapter 2.88 of the San Mateo County Ordinance Code, Contractor certifies all contractor(s) and subcontractor(s) obligated under this contract shall fully comply with the provisions of the County of San Mateo Living Wage Ordinance, including, but not limited to, paying all Covered Employees the current Living Wage and providing notice to all Covered Employees and Subcontractors as required under the Ordinance.

#### **13. Compliance with County Employee Jury Service Ordinance**

Contractor shall comply with Chapter 2.85 of the County's Ordinance Code, which states that Contractor shall have and adhere to a written policy providing that its employees, to the extent they are full-time employees and live in San Mateo County, shall receive from the Contractor, on an annual basis, no fewer than five days of regular pay for jury service in San Mateo County, with jury pay being provided only for each day of actual jury service. The policy may provide that such employees deposit any fees received for such jury service with Contractor or that the Contractor may deduct from an employee's regular pay the fees received for jury service in San Mateo County. By signing this Agreement, Contractor certifies that it has and adheres to a policy consistent with Chapter 2.85. For purposes of this Section, if Contractor has no employees in San Mateo County, it is sufficient for Contractor to provide the following written statement to County: "For purposes of San Mateo County's jury service ordinance, Contractor certifies that it has no full-time employees who live in San Mateo County. To the extent that it hires any such employees during the term of its Agreement with San Mateo County, Contractor shall adopt a policy that complies with Chapter 2.85 of the County's Ordinance Code." The requirements of Chapter 2.85 do not apply if this Agreement's total value listed in the Section titled "Payments", is less than one-hundred thousand dollars (\$100,000), but Contractor acknowledges that Chapter 2.85's requirements will apply if this Agreement is amended such that its total value meets or exceeds that threshold amount.

#### **14. Retention of Records; Right to Monitor and Audit**

(a) Contractor shall maintain all required records relating to services provided under this Agreement for three (3) years after County makes final payment and all other pending matters are closed, and Contractor shall be subject to the examination and/or audit by County, a Federal grantor agency, and the State of California.

(b) Contractor shall comply with all program and fiscal reporting requirements set forth by applicable Federal, State, and local agencies and as required by County.

(c) Contractor agrees upon reasonable notice to provide to County, to any Federal or State department having monitoring or review authority, to County's authorized representative, and/or to any of their respective audit agencies access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement, and to evaluate the quality, appropriateness, and timeliness of services performed.

**15. Merger Clause; Amendments**

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

**16. Controlling Law; Venue**

The validity of this Agreement and of its terms, the rights and duties of the parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law or conflict of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

**17. Disentanglement**

Contractor shall cooperate with County and County's other contractors to ensure a smooth transition at the time of termination of this Agreement, regardless of the nature or timing of the termination. Contractor shall cooperate with County's efforts to effectuate such transition with the goal of minimizing or eliminating any interruption of work required under the Agreement and any adverse impact on the provision of services or the County's activities; provided, however, that County shall pay Contractor on a time and materials basis, at the then-applicable rates, for all additional services performed in connection with such cooperation. Contractor shall deliver to County or its designee, at County's request, all documentation and data related to County, including, but not limited to, patient files, held by Contractor, and after return of same, Contractor shall destroy all copies thereof still in Contractor's possession, at no charge to County. Such data delivery shall be in an electronic format to facilitate archiving or loading into a replacement application. County and Contractor shall mutually agree to the specific electronic format.

Upon any termination of the Agreement, regardless of the nature or timing of the termination, County shall have the right, for up to twelve (12) months (the "Transition Period"), at County's option and request, to continue to receive from Contractor all maintenance and support services, at the then-applicable rates provided, however, that the annual support and maintenance fee shall be prorated and paid in advance on a monthly basis during such time, and the amount of such support and maintenance fee shall remain subject to the limitations set forth in the Agreement regarding any increase in such fee.

**18. Notices**

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid; or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of County, to:

Name/Title: San Mateo Medical Center  
Attn: Accounts Payable  
Address: 222 W 39<sup>th</sup> Ave  
San Mateo, CA 94403  
Email: [SMMC-Accounts-Payable@smcgov.org](mailto:SMMC-Accounts-Payable@smcgov.org)

In the case of Contractor, to:

Name/Title: Chris Threatt, MD  
Address: 2900 Whipple Ave Suite 130  
Redwood City, 94062  
Telephone: 650/362-8250  
Facsimile: 650/362-9440  
Email: [cthreattmd@sequoiauc.com](mailto:cthreattmd@sequoiauc.com)

**19. Electronic Signature**

Both County and Contractor wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law and County's Electronic Signature Administrative Memo. Any party to this Agreement may revoke such agreement to permit electronic signatures at any time in relation to all future documents by providing notice pursuant to this Agreement.

**20. Payment of Permits/Licenses**

Contractor bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Contractor's own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.

\* \* \*



In witness of and in agreement with this Agreement's terms, the parties, by their duly authorized representatives, affix their respective signatures:

For Contractor: Peninsula Urology, LLC

  
Contractor Signature

5-5-17  
Date

Chris Threathill  
Contractor Name (please print)

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COUNTY OF SAN MATEO

By:

President, Board of Supervisors, San Mateo County

Date:

ATTEST:

By:

Clerk of Said Board

## Exhibit A

In consideration of the payments set forth in Exhibit B, Contractor shall provide the following services:

I. Items to be provided by Contractor

A. Equipment

The machinery, equipment and other personal property described herein, is hereinafter referred to, collectively, as the "Equipment." The parties hereto mutually understand, agree and state that this Agreement is not a joint venture between them and that neither party has an equity or ownership interests in the other, either direct or removed in any degree.

1. The Equipment covered by this Agreement is one (1) portable Stone Light Laser device and one (1) portable Green Light Laser, transported in a custom built truck. Equipment maintenance logs will be made available for review upon request by County.
2. Schedule for Use of Equipment: Contractor shall make the Equipment and services available to County, at the site on San Mateo Medical Center (SMMC) premises at 222 W. 39th Ave., San Mateo, CA 94403, from Monday through Friday, 7:30 a.m. to 5:00 p.m.
3. Location: During the term of this Agreement, the Equipment shall be located at a site within County premises. Said site shall have all utility hookups and all other conditions, hookups or means of attachment recommended by Contractor to secure the Equipment to County premises to that the Equipment may be operated in the performance of lithotripsy procedures.
4. Repairs: Contractor shall, at its own cost and expense, keep the Equipment in good repair, condition, and working order and shall furnish any and all parts, mechanisms, and devices required to keep the Equipment in good mechanical and working order, including the provision of any maintenance agreement required by the manufacturer.
5. Loss and Damage. In the event of loss or damage of any kind whatever to any item of Equipment while located on Site at County, County shall:
  - a) Permit Contractor to enter premises and place the Equipment in good repair, condition and working order, or replace the same with like Equipment in good repair, condition and working order; or
  - b) Permit Contractor to immediately remove the Equipment from County premises and repair or replace the same so that it is in good repair, condition and working order.

Notwithstanding anything to the contrary contained herein, Contractor shall be responsible for all loss or damage caused by those events beyond the reasonable control of County, its employees, agents, or its Medical Staff, specifically including

natural disasters or other Acts of God.

B. Support Personnel

Contractor shall provide one (1) certified technician (the "Technician") to maintain continuous supervision over the operation of the Equipment and to cooperate with those physicians who have been appointed to the Medical Staff of SMMC and granted lithotripsy privileges in performing lithotripsy procedures on the Equipment by County. Contractor shall have the sole responsibility for training its personnel pursuant to the standards promulgated by the manufacturer of the Equipment for certification to operate the Equipment. Such personnel shall meet the non-medical staff credentialing requirements of SMMC. County will assist Contractor and provide Contractor with documentation to permit personnel to meet these requirements. Upon request, Contractor shall provide reasonable evidence of the qualifications of such personnel. The Technician shall be available and on-call 24 hours per day, seven days per week, and shall arrive on site at SMMC within two (2) hours of any telephone request by SMMC.

- C. Upon written request from the County, Contractor will provide County with annual evaluations, certifications, and PPD results of Contractor's support personnel.
- D. Contractor's technician(s) are required to complete an orientation to the SMMC Surgery Department.
- E. Contractor will provide training on the equipment to the Operating Room Staff at SMMC.
- F. No Exclusivity

Contractor understands and acknowledges that this Lease is non-exclusive and that County is free to enter into agreements or arrangements with other persons and entities for any items in County's sole and absolute discretion; provided that Contractor shall be responsible only for its obligations under this Agreement.

II. Items to be provided by County

A. Services

While the Equipment is located on its premises, SMMC shall provide all services and facilities necessary to enable Contractor to properly perform its duties under this Agreement, including, without limitation, a suitable area adjacent to SMMC to park the transport truck, and a site within SMMC to operate the Equipment (according to specifications provided by manufacturer of Equipment), electrical power, telephone lines, water, and access to water drainage. In addition, County shall provide certain general medical supplies reasonably necessary for the operation of the Equipment including shockwave electrodes, drugs, medications, x-ray film, IV set-ups, catheters, stents and the like. SMMC shall provide personnel to assist the Certified Radiology Technologist with transport of Equipment into SMMC. County shall also provide security protection to Equipment and Contractor personnel reasonably necessary in order to enable Contractor to properly perform its duties while on County premises to the same extent and the same

scope as the security protection County provides to its employees, equipment and property.

- B. County retains professional and administrative responsibility for the services rendered, however, in no circumstance shall County be liable for the acts and omissions of Contractor and contractor is bound in full by the indemnification language of the Agreement.

- C. Data

County shall be solely responsible for making available to its medical staff, data concerning treatment results from lithotripsy procedures performed on the Equipment that is contained in SMMC's medical records. Further, SMMC shall be solely responsible for scheduling patients for the Equipment. SMMC shall have in place necessary procedures to ensure that written consent is signed for each procedure; provided, however, that nothing herein shall act to transfer to SMMC any responsibility a physician may have to obtain informed consent from a patient.

- D. Medical Records

County shall maintain medical records for each patient who receives procedures performed with the Equipment at County's premises. Such medical records shall be the property of County and County shall be responsible for the storage, maintenance, and confidentiality of such records. County shall be solely responsible for fulfilling all requirements imposed by law with respect to the preparation, maintenance, security, disclosures, and retention of records concerning procedures performed with the Equipment and records of patients receiving treatment with the Equipment. To the extent permitted by law, Contractor shall have access to medical records as reasonably necessary to perform its obligations under this Agreement. This provision shall not affect the obligation of the attending physician to document the medical record. Contractor agrees to keep confidential and all records of County to which it may from time to time have access in the performance of its obligations under this Agreement and to disclose such records to others only as may be required by law.

- E. Properly Qualified Medical Staff

County is responsible for establishing training standards and other credentialing requirements for physicians who are providing patient treatment on the Equipment. County shall notify Contractor of such physicians and other County personnel who meet SMMC's qualifications and who will be using the Equipment. County and Contractor shall cooperate to permit only qualified physicians and other personnel to use the Equipment. County shall identify County administrative personnel who shall be reasonably available to Contractor personnel (including the Technician) to respond to questions relating to the qualifications of physicians or others, and relating to other matters.

- F. Alterations

County shall not make any alterations, modifications, additions or improvements to the Equipment. Any alterations, modifications, additions or improvements to the Equipment

required by the terms of any contract governing the Equipment or any governmental rule, regulations, statute or order of any kind requiring such alterations or modification, whether currently in existence or enacted in the future, shall be made by Contractor. Contractor shall bear the cost of such alterations, modifications, additions or improvements.

## Exhibit B

In consideration of the services provided by Contractor described in Exhibit A and subject to the terms of the Agreement, County shall pay Contractor based on the following fee schedule and terms:

- I. Rent. SMMC shall pay monthly rent for the combined provision of equipment, supplies, and technician hereunder in the amount of THIRTY THREE THOUSAND EIGHT HUNDRED SIXTY SIX DOLLARS (\$33,866). Such rent shall be due and payable in arrears on the last day of each calendar month with respect to such month. Contractor shall invoice County on a monthly basis pursuant to the terms of the Agreement, and County shall pay invoices within thirty days of receipt of such invoice.
- II. Contractor compensation by County for laser services is based on a projected volume of 155 laser units (procedures) per annum.

If the average monthly laser units for Contractors productivity in urology (based on 155 annual units, vary by fifteen percent (15%) over a six (6) month period, the Chief Medical Officer or designee will review and discuss the compensation metric with Contractor, and it will be changed if appropriate.

- III. Sole Compensation; No Recourse. The parties agree that Contractor shall bill only County for items provided hereunder and shall not look to any other source for payment. Contractor agrees that in no event, including but not limited to nonpayment by County or the insolvency of insurers, health plans or other payors or breach of any contracts, shall Contractor bill, charge, collect deposit from, seek compensation, remuneration or reimbursement from or have any recourse against a patient or any other persons or entities other than County for anything required to be compensated by County hereunder. Contractor hereby assigns to County all rights to bill for anything provided hereunder.
- IV. The term of this Agreement is October 1, 2017 through September 30, 2020. Maximum payment for services rendered under this Agreement will not exceed ONE MILLION TWO HUNDRED NINETEEN THOUSAND ONE HUNDRED SEVENTY SIX DOLLARS (\$1,219,176).
- V. No Payments shall owe under this Agreement for services not provided. In any month, if services are not provided due to unavailability of Technician (for any number of days) or failure of equipment (beyond three business days), then the amount owed to Contractor for that month shall be reduced via prorated reduction to an amount equal to the percentage of business days in the month that the equipment was operational and the Technician available to perform the required duties. Thus, in a month with 22 business days, if the Technician is unavailable and/or the equipment non-functional for 5 business days that month, County shall only owe 77.3% (i.e. payment for 17 of 22 days) of the monthly fee for that month.

## EXHIBIT E

### CORPORATE COMPLIANCE SMMC CODE OF CONDUCT (THIRD PARTIES)

The person/entity listed below (the "Undersigned") recognizes and is fully dedicated to advancing SMMC's commitment to full compliance with all Federal, State, and other governmental health care program requirements, including its commitment to prepare and submit accurate claims consistent with such requirements.

The Undersigned will comply with all Federal, State or other governmental health care program requirements.

The Undersigned, to the extent its contractual duties require it to submit the reports covered in this paragraph, will promptly submit accurate information for Federal health care cost reports including, but not limited to, the requirement to submit accurate information regarding acute available bed count for Disproportionate Share Hospital (DSH) payment.

The Undersigned will report to the SMMC Compliance Officer any suspected violation of any Federal health care program requirements within fifteen (15) days of discovery of the violation.

The Undersigned has the right to use the SMMC Disclosure Program by calling the Compliance Hotline at (800) 965-9775 or reporting incidents directly to the Compliance Officer. SMMC is committed to non-retaliation and will maintain, as appropriate, confidentiality and anonymity with respect to such disclosures.

The Undersigned understands that non-compliance with Federal and State health care program requirements, and failing to report any such violations, could result in termination of the Agreement and/or any other penalties as permitted by law.

The Undersigned is responsible for acquiring sufficient knowledge to recognize potential compliance issues applicable to the duties outlined in the Agreement and for appropriately seeking advice regarding such issues.

The Undersigned will not offer, give or accept any "kickback," bribe, payment, gift, or thing of value to any person or entity with whom SMMC has or is seeking any business or regulatory relationship in relation to said business or regulatory relationship (other than payments authorized by law under such relationships). The Undersigned will promptly report the offering or receipt of such gifts to the SMMC Compliance Officer.

The Undersigned will not engage in any financial, business, or other activity which may interfere or appear to interfere with the performance of the duties under the Agreement or that involve the use of SMMC/County property, facilities, or resources.

The Undersigned will cooperate fully and honestly in the event that SMMC and/or County is audited by an outside agency including, but not limited to, compliance audits regarding enforcement of Federal and State regulations, any applicable accreditation standards,, and/or SMMC system-wide policies.

**TO REPORT VIOLATIONS,  
CALL THE COMPLIANCE HOT LINE: (800) 965-9775**

The Undersigned hereby certifies by signing below that an authorized representative has received this Code of Conduct, understands it, has authority to commit the Undersigned to this Code of Conduct, and hereby commits the Undersigned to comply with this Code of Conduct.