

GROUP AGREEMENT
Between
San Mateo Health Commission and
San Mateo County Public Authority

This Group Agreement ("Agreement"), including the Evidence of Coverage ("EOC") document(s) and attachments listed below, which are incorporated herein by reference, constitutes the contract between the San Mateo Health Commission dba Health Plan of San Mateo ("PLAN"), and the San Mateo County Public Authority ("Contract Holder"). As used herein, PLAN and Contract Holder may be referred to each as a "Party" or together as "Parties" to this Agreement. This Agreement is effective this 1st day of January 2025 and will expire on December 31, 2025. In no event shall the County's total fiscal obligation under this Agreement exceed NINE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$9,500,000).

Product Name: HealthWorx
Attachment A – Premium Schedule
Attachment B – COBRA and Cal-COBRA
Attachment C – Additional Requirements

Pursuant to this Agreement, PLAN will provide covered services and supplies to Members in accord with the terms, conditions, rights, and privileges as set forth in this Agreement and the EOC.

PLAN is subject to the requirements of state and federal laws governing health care plans, including the Knox-Keene Health Care Service Plan Act of 1975 (the "Knox-Keene Act"), as amended, and the regulations promulgated thereunder (the "Regulations"). Any provisions required to be in this Agreement by law will bind PLAN whether or not expressly stated in this Agreement.

If any provision of this Agreement is deemed to be invalid or illegal, such provision shall be fully severable and the remaining provisions of this Agreement shall continue in full force and effect.

This Agreement and its attachments have the same meaning given those terms in the EOC.

Group Agreement Effective Date ("Effective Date"):
Contract Holder Number: 000001

Contract Holder

Executed by:

Authorized Signature for
San Mateo County Public Authority

Click or tap here to enter text.

Address

Date

PLAN

Executed by:

Authorized Signature for
Health Plan of San Mateo

801 Gateway Blvd, Suite 100
South San Francisco, CA 94080

Address

November 20, 2024

Date

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SECTION 1 DEFINITIONS

As used in this Agreement, the following terms (listed alphabetically) shall have the meaning set forth herein below, except where, from the context, it is clear that another meaning is intended.

- 1.0 **"Cal-COBRA"** - shall mean a California State law that requires employers to offer continued health insurance coverage under certain circumstances where coverage would otherwise terminate.
- 1.1 **"Consolidated Omnibus Budget Reconciliation Act (COBRA)"** - shall mean a federal law that, among other things, requires employers to offer continued health insurance coverage to certain employees and their beneficiaries who have had their group health insurance coverage terminated.
- 1.2 **"Co-payment"** - shall mean the portion of health care costs for covered services for which the Member has financial responsibility under the HealthWorx Program.
- 1.3 **"Covered Services"** - shall mean those Medically Necessary health care services and supplies which a Member is entitled to receive under the HealthWorx Program and which are set forth in the HealthWorx Program Evidence of Coverage.
- 1.4 **"Evidence of Coverage"** - shall mean the document issued by PLAN to Members that sets forth the Covered Services to which Members are entitled to in the HealthWorx Program.
- 1.5 **"HealthWorx Program" or "HealthWorx"** - shall mean the health insurance program under Section 14087.51 of the California Welfare and Institution Code for eligible In-Home Supportive Services (IHSS) workers whose employer of record is the San Mateo County Public Authority or Part Time Employees whose employer of record is the City of San Mateo.
- 1.6 **"Health Insurance Portability and Accountability Act of 1996 (HIPAA)"** - shall mean a federal law that, among other things, provides guaranteed renewability of health care coverage to certain employees who no longer qualify for group health insurance through their employer and have an opportunity to purchase coverage from another insurer.
- 1.7 **"Hospital"** - shall mean a licensed general acute care hospital.
- 1.8 **"Member"** - shall mean an individual who has been determined by the Contract Holder or designee to be eligible for enrollment in and elects to be enrolled in PLAN's HealthWorx Program.
- 1.9 **"Participating Provider"** - shall mean a Provider who has entered into an Agreement with the PLAN to provide Covered Services to Members.
- 1.10 **"Premium"** - shall mean the amount paid by Contract Holder per Member per month to PLAN for providing coverage to Members under this Agreement.

- 1.11 **"Protected Health Information"** - shall mean individually identifiable health information as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA).
- 1.12 **"Provider"** - shall mean any health professional or institution certified, licensed, or registered by the State, as appropriate, to deliver or furnish Covered Services to Members.

SECTION II ENROLLMENT

- 2.0 Members must work 35 hours or more per month for two consecutive months to be eligible for enrollment with the PLAN. The Contract Holder or designee shall be responsible for forwarding completed enrollment information on eligible Members to the PLAN electronically no later than 5:00 p.m. on the twenty-second day of each month.
- 2.1 The Contract Holder or designee shall also be responsible for forwarding enrollment information on HealthWorx Members eligible through COBRA and shall provide Members who exhaust their COBRA benefits an application and information regarding benefits under Cal-COBRA.
- 2.2 The Contract Holder shall not change the requirements used to determine Member eligibility during the term of the Agreement, unless agreed to in writing by PLAN.

SECTION III PREMIUMS

- 3.0 Premiums for the Covered Services under this Agreement are set forth in Attachment A, attached hereto, which is fully incorporated herein by reference.
- 3.1 Premium Change
- 3.1.1 PLAN is prohibited from increasing the amount paid by the Contract Holder, except after a period of at least thirty (30) days from and after the postage paid mailing to Contract Holder at Contract Holder's most current address of record with PLAN.
- 3.1.2 Payment of the applicable Premium on and after that notice period shall constitute acceptance of those changes by the Contract Holder, individually and on behalf of all Members enrolled under this Agreement.
- 3.2 Premium Payment
- Premiums are payable to the PLAN at the PLAN's office by electronic file transfer via ACH, wire transfer or check via mail addressed to: Finance Department, Health Plan of San Mateo, 801 Gateway Blvd, Ste 100 South San Francisco, CA 94080. In no event shall the County's total fiscal obligation under this Agreement exceed NINE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$9,500,000).

3.3 Premium due date and grace period

3.3.1 The Premium due date will be the first of the month for which coverage is provided. PLAN shall duly notify Contract Holder in the event Contract Holder fails to pay the Premium when due and provide a grace period of at least thirty (30) days from the date of notification or, if longer, the period of time required for notice and any other requirements pursuant to Section 2703, 2712, or 2742 of the federal Public Health Service Act ("Grace Period"). The notification of the start of the Grace Period shall occur no earlier than the first day after the last day of paid coverage. During the Grace Period, PLAN will continue to provide coverage according to the terms of this Agreement. The Contract Holder remains liable for the payment of the Premium for the time coverage was in effect during the Grace Period and Members will remain liable for co-payments. A check is not a payment until it is cleared by the PLAN's bank.

3.3.2 Premiums shall be paid in full for Members whose coverage is effective on the Premium due date or whose coverage terminates on the last day of the Premium period.

3.4 Credit for Member terminations

3.4.1 Contract Holder may receive a maximum of two (2) months credit for Member terminations which occurred more than thirty-one (31) days prior to the date PLAN was notified of the Member's termination. Retroactive additions will be honored at the discretion of the PLAN based upon the eligibility guidelines described in the EOC and on the Schedule of Benefits. Retroactive additions are subject to payment of applicable premiums.

3.4.2 The Contract Holder shall be responsible for any claims paid by PLAN and Member to the extent PLAN relied on the Contract Holder's submitted enrollment to confirm coverage where coverage was not valid.

SECTION IV TERM AND TERMINATION

4.0 Term

The term of the Agreement shall be January 1, 2025, through December 31, 2025.

4.1 Termination by PLAN

PLAN may terminate or not renew this Agreement upon written notice to Contract Holder, who shall promptly mail to each Member a legible, true copy of any notice of cancellation of the Agreement which may be received from PLAN and promptly provide to PLAN proof such mailing and the date thereof, in the following circumstances:

4.1.1 Nonpayment of Premium by Contract Holder. In the event PLAN does not receive the past due Premium payment from Contract Holder on or before the last day of the Grace Period, coverage will be cancelled effective the

day after the last day of the Grace Period. If Contract Holder makes the necessary Premium payment to the PLAN on or before the last day of the Grace Period, PLAN shall not terminate this Agreement for nonpayment of Premiums.

- 4.1.2 PLAN demonstrates fraud or an intentional misrepresentation of material fact under the terms of the Agreement by Contract Holder and PLAN provides notice to Contract Holder and Members through the Contract Holder at least thirty (30) days before the cancellation, rescission, or nonrenewal.
- 4.1.3 Contract Holder commits a violation of a material Agreement provision relating to employer contribution or group participation rates by the Contract Holder and PLAN provides notice to Contract Holder and Members through the Contract Holder at least thirty (30) days before the cancellation, rescission, or nonrenewal.
- 4.1.4 If PLAN ceases to provide or arrange for the provision of health benefits for new health care service plan contracts in the group market, or all markets, in California and notice of the decision to cease new or existing health benefit plans in California is provided to the Department of Managed Health Care ("DMHC"), Contract Holder, and Members through the Contract Holder, at least one-hundred and eighty (180) days prior to discontinuation of those contracts.
- 4.1.5 If PLAN withdraws this health benefit plan from the market and PLAN notifies the DMHC, Contract Holder, and Members through the Contract Holder at least ninety (90) days prior to the discontinuation of this health benefit plan.

4.2 Termination by Contract Holder

Contract Holder may terminate with thirty (30) days prior written notice.

In the event of termination, PLAN shall furnish Contract Holder access to data for Members covered under this Agreement, to the extent required by law.

4.3 Contesting a Termination

As used in this Section, the term "you" signifies Contract Holder or Member.

RIGHT TO SUBMIT GRIEVANCE REGARDING CANCELLATION,
RESCISSION, OR NONRENEWAL OF YOUR PLAN ENROLLMENT,
SUBSCRIPTION, OR CONTRACT.

If you believe your health care coverage has been, or will be, improperly cancelled, rescinded, or not renewed, you have the right to file a grievance with the plan and/or the Department of Managed Health Care.

OPTION (1) — YOU MAY SUBMIT A GRIEVANCE TO YOUR PLAN.

- You may submit a grievance to PLAN by calling 1-800-750-4776 or 650-616-2850, online at www.hpsm.org, or by mailing your written grievance to:

Grievance and Appeals Unit
Health Plan of San Mateo
801 Gateway Boulevard, Suite 100
South San Francisco, CA 94080

- You may want to submit your grievance to PLAN first if you believe your cancellation, rescission, or nonrenewal is the result of a mistake. Grievances should be submitted as soon as possible.
- PLAN will resolve your grievance or provide a pending status within three (3) calendar days. If you do not receive a response from PLAN within three (3) calendar days, or if you are not satisfied in any way with PLAN's response, you may submit a grievance to the Department of Managed Health Care as detailed under Option 2 below.

OPTION (2) — YOU MAY SUBMIT A GRIEVANCE DIRECTLY TO THE DEPARTMENT OF MANAGED HEALTH CARE.

- You may submit a grievance to the Department of Managed Health Care without first submitting it to PLAN or after you have received PLAN's decision on your grievance.
- You may submit a grievance to the Department of Managed Health Care online at:
WWW.HEALTHHELP.CA.GOV
- You may submit a grievance to the Department of Managed Health Care by mailing your written grievance to:
HELP CENTER
DEPARTMENT OF MANAGED HEALTH CARE
980 NINTH STREET, SUITE 500
SACRAMENTO, CALIFORNIA 95814-2725
- You may contact the Department of Managed Health Care for more information on filing a grievance at:
PHONE: 1-888-466-2219
TDD: 1-877-688-9891
FAX: 1-916-255-5241

4.4 Effect of Termination

As of the date of termination pursuant to any provision of this Agreement, this Agreement shall be of no further force or effect whatsoever and each of the Parties hereto shall be relieved and discharged from any of the obligations it has undertaken except that the Contract Holder shall remain liable for due, unpaid Premiums and the

PLAN shall remain liable for all Covered Services rendered to Members up to the date of termination and for any Covered Services covered by the term of the Premium or required by law, whichever is later, rendered hereunder after such date until such time as appropriate transfer (or other medically acceptable disposition) of Members receiving inpatient services as of the date of termination is achieved.

In the event of termination by either Party, except in instances involving fraud or deception in the use of services or facilities of PLAN or knowingly permitting such fraud or deception by another, PLAN shall, within thirty (30) days, return to Contract Holder the pro rata portion of any funds paid to PLAN that correspond to any unexpired period for which payment had been received, together with any amounts due on claims, if applicable, less any amounts owed to PLAN.

4.5 Amendment of Agreement

4.5.1 This Agreement may be amended at any time upon written agreement of PLAN and Contract Holder. Upon thirty (30) days prior written notice to Contract Holder, Plan may extend the term of this Agreement. Extending the term of this Agreement will be contingent upon Contract Holder's acceptance of all amendments, including Premiums and benefits.

4.5.2 This Agreement may be amended by PLAN upon thirty (30) days prior written notice to the Contract Holder. If the Contract Holder does not give written notice of termination within thirty (30) days, Contract Holder agrees that any such amendment by PLAN shall be part of the Agreement.

4.5.3 PLAN is prohibited from decreasing in any manner the benefits stated in this Agreement, except after a period of at least thirty (30) days from and after the postage paid mailing to Contract Holder at Contract Holder's most current address of record with PLAN.

4.5.4 The terms of the Agreement shall be subject to the requirements of the Knox-Keene Act and the Regulations, to the extent applicable hereto, and any provision required to be in this Agreement by either the Knox-Keene Act or Regulations shall bind the PLAN and the Contract Holder as appropriate, whether or not provided herein. If the Director of the Department of Managed Health Care or his/her successor requires further amendments to this Agreement, the PLAN shall notify the Contract Holder in writing of such amendments. The Contract Holder agrees to work with the PLAN in a good faith effort to accept such an amendment. If Contract Holder does not agree to accept such an amendment, the PLAN may terminate this Agreement. Amendments for this purpose shall include, but not be limited to, material changes to the PLAN's Utilization Management, Quality Assessment and Improvement and Complaint and Grievance Programs and procedures and to the health care services covered by this Agreement.

4.6 Availability of Funds

The Contract Holder may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon unavailability of Federal,

State, or County funds, by providing written notice to PLAN as soon as is reasonably possible after the Contract Holder learns of said unavailability of outside funding.

SECTION V MEMBER NOTIFICATION OF TERMINATION OF AGREEMENT

- 5.0 It is the responsibility of the Contract Holder or designee to notify the Members of the termination of the Agreement in compliance with all applicable laws. However, PLAN reserves the right to notify Members of termination of the Agreement for any reason, including non-payment of Premium. When PLAN delivers a notice of cancellation or termination to Contract Holder, Contract Holder or designee will promptly mail a notification of action to each Member under this Agreement at the Member's current address.
- 5.1 In accordance with the EOC, the Contract Holder or designee shall also provide written notice to Members of their continuation and conversion rights upon termination of coverage.
- 5.2 Termination shall not relieve the Contract Holder or PLAN from any obligation incurred prior to the date of termination of this Agreement.

SECTION VI OBLIGATIONS UNDER COBRA and CAL-COBRA

- 6.0 The Contract Holder is subject to the requirements of state and federal law governing continuation of health care coverage for Members. The federal law is the Consolidated Omnibus Budget Reconciliation Act (COBRA). The California state law is the California Continuation Benefits Replacement Act (Cal-COBRA). Obligations of the Contract Holder under COBRA and Cal-COBRA are summarized in Attachment B. Any provisions required to be in this Agreement by either the applicable Code or Regulation governing COBRA or Cal-COBRA will bind the Contract Holder whether or not expressly stated in the Agreement or any Attachments. Contract Holder hereby acknowledges its obligations and agrees to comply with all applicable legal requirements with respect to COBRA and/or Cal-COBRA continuation coverage.

SECTION VII [RESERVED]

SECTION VIII INDEPENDENT CONTRACTOR RELATIONSHIPS

8.0 Between Participating Providers and PLAN

The relationship between PLAN and Participating Providers is a contractual relationship among independent contractors. Participating Providers are not agents or employees of PLAN nor is PLAN an agent or employee of any

Participating Provider. Participating Providers maintain the provider-patient relationship with Members and are solely responsible to their Member patients for any health services rendered to their Member patients.

A Participating Provider's participation may be terminated at any time by either the Participating Provider or the PLAN and PLAN makes no express or implied warranties or representations concerning the qualifications, continued participation, or quality of services of any Physician, Hospital or other Participating Provider. In no event will PLAN be liable for the negligence, wrongful acts, or omissions in a Participating Provider's delivery of services regardless of whether such services are or would be covered under this Agreement, nor will PLAN be liable for services or facilities which for any reason beyond its control are unavailable to the Member. Upon termination of a Participating Provider contract, PLAN shall be liable for Covered Services rendered by such Participating Provider (other than for Copayments) to a Member who retains eligibility under the Agreement or by operation of law under the care of such Participating Provider at the time of such termination until the services being rendered to the Member by such Participating Provider are completed, unless PLAN makes reasonable and medically appropriate provision for the assumption of such services by another Participating Provider.

PLAN will provide written notice within a reasonable time to Contract Holder of any termination or breach of contract by, or inability to perform of, any Participating Provider if the Contract Holder and/or its Members may be materially and adversely affected thereby.

8.1 Between the Contract Holder and PLAN

None of the provisions of this Agreement are intended to create nor shall be deemed or construed to create any relationship between the parties hereto other than that of independent entities contracting with each other hereunder solely for the purposes of effecting the provisions of this Agreement. Neither of the parties hereto, nor any of their respective employees or workers, shall be construed to be the agent, the employee or the representative of the other.

SECTION IX RECORDS

- 9.0 The PLAN maintains records and information to allow the administration of a Member's coverage. The Contract Holder or designee shall provide the PLAN information to allow for the administration of a Member's benefits. This includes information on enrollment, continued eligibility, and termination of eligibility. The PLAN shall not be obligated to provide coverage prior to receipt of information needed to administer the benefits or confirm eligibility in a form satisfactory to the PLAN.

The Contract Holder or designee shall make payroll and other records directly related to Member's coverage under this Agreement available to PLAN for inspection, at PLAN's expense, at the Contract Holder's or designee's office, during regular business hours, upon reasonable advance request from PLAN. This provision shall survive the termination of this Agreement as necessary to resolve

outstanding financial or administrative issues pursuant to this Agreement. PLAN's performance of any obligation that depends on information to be furnished by Contract Holder or designee or Member will not arise prior to receipt of that information in the form requested by PLAN. Nor will PLAN be liable for any obligation due to information incorrectly supplied by Contract Holder or designee or Member. All records of Contract Holder that have a bearing on coverage shall be open for inspection by PLAN at any reasonable time.

SECTION X ADMINISTRATION OF THE AGREEMENT

10.0 Entire Agreement

This Agreement, including the Group Application, Evidence of Coverage, Schedule of Benefits, any amendments, endorsements, insets or attachments, constitutes the entire Agreement between the Contract Holder and the PLAN, and on the Effective Date supersedes all other prior and contemporaneous arrangements, understandings, agreements, negotiations and discussions between the parties, whether written or oral, regarding services provided by the Agreement.

10.1 Mutual Hold Harmless

- a. It is agreed that PLAN shall defend, save harmless and indemnify Contract Holder, its officers and employees from any and all claims which arise out of the terms and conditions of this Agreement and which result from the negligent acts or omissions of PLAN, its officers and/or employees.
- b. It is agreed that Contract Holder shall defend, save harmless, and indemnify PLAN, its officers and employees from any and all claims for injuries or damage to persons and/or property which arise out of the terms and conditions of this Agreement and which result from the negligent acts or omissions of Contract Holder, its officers and/or employees.
- c. In the event of concurrent negligence of Contract Holder, its officers and/or employees, and PLAN, its officers and/or employees, then the liability for any and all claims for injuries or damage to persons and/or property which arise out of terms and conditions of this Agreement shall be apportioned according to the California theory of comparative negligence.

10.2 Compliance with Applicable Law

All services to be performed by PLAN 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, and the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended

and incorporated by reference herein as Attachment "I," which prohibits discrimination on the basis of handicap 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 State, Federal, County, or municipal law or regulations, the requirements of the applicable law will take precedence over the requirements set forth in this Agreement.

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

10.3 Non-Discrimination and Other Requirements

- a. General non-discrimination. No person shall, on the grounds of race, color, religion, ancestry, gender, age (over 40), national origin, medical condition (cancer), physical or mental disability, sexual orientation, pregnancy, childbirth or related medical condition, marital status, or political affiliation be denied any benefits or subject to discrimination under this Agreement.
- b. Equal employment opportunity. PLAN 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. PLAN's equal employment policies shall be made available to Contract Holder upon request.
- c. Violation of Non-discrimination provisions. Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the PLAN to penalties, to be determined by the Contract Holder, including but not limited to
 - termination of this Agreement;
 - disqualification of the PLAN from bidding on or being awarded a County contract for a period of up to 3 years;
 - liquidated damages of \$2,500 per violation; and
 - imposition of other appropriate contractual and civil remedies and sanctions, as determined by the Contract Holder.

To effectuate the provisions of this section, the Contract Holder shall have the authority to examine PLAN's employment records with respect to compliance with this paragraph and/or to set off all or any portion of the amount described in this paragraph against amounts due to PLAN under the Agreement or any other Agreement between PLAN and Contract Holder.

PLAN shall report to the Contract Holder the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contract Holder that such charges are dismissed or

otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance.

PLAN shall provide Contract Holder with a copy of their response to the complaint when filed.

- d. Compliance with Equal Benefits Ordinance. With respect to the provision of employee benefits, PLAN shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.
- e. PLAN shall comply fully with the non-discrimination requirements required by 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.

10.4 Retention of Records, Right to Monitor and Audit

- a. PLAN shall comply with all program and fiscal reporting and record keeping requirements set forth by appropriate Federal, State and local agencies.
- b. PLAN agrees to provide to Contract Holder, to any Federal or State department having monitoring or review authority, to Contract Holder's authorized representatives, and/or their appropriate audit agencies upon reasonable notice, 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, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services performed, to the extent allowed by law.

10.5 Merger Clause

This Agreement, including the Exhibits attached hereto and incorporated herein by reference, constitutes the sole Agreement of the parties hereto 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 this body of the 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 this 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 shall be in writing and signed by the parties.

10.6 Forms

PLAN shall supply the Contract Holder or designee with a reasonable supply of its forms and descriptive literature. The Contract Holder or designee shall distribute PLAN's forms and descriptive literature to any individual who becomes eligible for coverage.

10.7 Clerical Errors

Incorrect information furnished to PLAN may be corrected, provided that PLAN has not acted to its prejudice in reliance thereon. Clerical errors or delays in keeping or

reporting data relative to coverage will neither invalidate coverage which would otherwise be in force, continue coverage which would otherwise be validly terminated if PLAN, in its sole discretion, determines that a clerical error has been made, nor grant additional benefits to Members. Upon discovery of such errors or delay, an adjustment of Premiums shall be made. In no case will adjustments in coverage or Premiums be made effective more than two (2) Premium due dates prior to the date PLAN is notified in writing, on a form satisfactory to PLAN, of the requested addition, deletion, or change in coverage.

10.8 Claim Determinations

PLAN has complete authority to review all claims for Covered Benefits under this Agreement. In exercising such responsibility, PLAN shall have discretionary authority to determine whether and to what extent eligible individuals and Members are entitled to coverage and construe any disputed or doubtful terms under this Agreement. PLAN shall be deemed to have properly exercised such authority unless PLAN abuses its discretion by acting arbitrarily and capriciously.

10.9 Fraudulent or Material Misstatements

If any relevant fact as to a Member is found to have been misstated, an equitable adjustment of Premiums may be made. If the misstatement affects the existence or amount of coverage, the true facts will be used in determining whether coverage is to remain in force. In no case will adjustments in coverage or Premiums be made effective more than two (2) Premium due dates prior to the date PLAN is notified in writing, on a form satisfactory to PLAN, of the requested addition, deletion, or change in coverage.

10.10 Assignability

No rights or benefits under this Agreement are assignable by the Contract Holder to any other party unless approved by PLAN.

10.11 Waiver

PLAN's failure to implement, or insist upon compliance with, any provision of this Agreement or the terms of the EOC incorporated hereunder, at any given time or times, shall not constitute a waiver of PLAN's right to implement or insist upon compliance with that provision at any other time or times. This includes, but is not limited to, the payment of Premiums or benefits. This applies whether or not the circumstances are the same.

10.12 Notices

Any notice required or permitted under this Agreement shall be in writing and shall be deemed to have been given on the date when delivered in person, or, on the date received if delivered by first-class United States mail, UPS, FedEx, or other traceable mail service, proper postage prepaid, and properly addressed to the offices of the Contract Holder or the PLAN at the following addresses:

Chief Executive Officer
San Mateo Health Commission
801 Gateway Blvd., Suite 100

South San Francisco, CA 94080
Program Director
San Mateo County Public Authority
2000 Alameda de Las Pulgas, Suite 200
San Mateo, CA 94403

With respect to material matters, the Program Director shall be responsible for disseminating the notice to Members by the next regular communication to Members, but in no event later than thirty (30) days following receipt of the notification from PLAN.

10.13 Third Parties

This Agreement shall not confer any rights or obligations on third parties except as specifically provided herein.

10.14 Inability to Arrange Services

In the event that due to circumstances not within the reasonable control of PLAN, including but not limited to major disaster, epidemic, complete or partial destruction of facilities, riot, civil insurrection, disability of a significant part of PLAN's Participating Providers or entities with whom PLAN has arranged for services under this Agreement, or similar causes, the rendition of medical or Hospital benefits or other services provided under this Agreement is delayed or rendered impractical, PLAN shall not have any liability or obligation to Contract Holder on account of such delay or failure to provide services, except to refund the amount of the unearned prepaid Premiums held by PLAN on the date such event occurs.

PLAN is required only to make a good-faith effort to provide or arrange for the provision of services, taking into account the impact of the event.

10.15 Use of the HealthWorx Name and all Symbols, Trademarks, and Service Marks

PLAN reserves the right to control the use of its name and all symbols, trademarks, and service marks presently existing or hereinafter established with respect to it. The Contract Holder agrees that it will not use such name, symbols, trademarks, or service marks in advertising or promotional materials or otherwise without prior written consent of PLAN and will cease any and all usage immediately upon request of PLAN or upon termination of this Agreement.

10.16 Workers' Compensation

The Contract Holder is responsible for protecting PLAN's interest in any workers' compensation claims or settlements with any eligible individual. PLAN shall be reimbursed for all paid medical expenses which have occurred as a result of any work-related injury that is compensable or settled in any manner.

ATTACHMENT A
PREMIUM SCHEDULE

Premium\$599.61/per Member per Month

ATTACHMENT B

CONTRACT HOLDER'S OBLIGATIONS UNDER COBRA and CAL-COBRA

- A. All parties will comply with applicable federal law, regulations and requirements regarding continuation of benefits.
- B. All parties will comply with applicable state law, regulations and requirements regarding continuation of benefits.
- C. All parties agree to forward in a timely manner copies of any and all notices provided to Members regarding COBRA or Cal-COBRA continuation coverage.
- D. Contract Holder will administer or contract for the administration of coverage under COBRA.
- E. PLAN will provide Contract Holder's Initial COBRA Notification to Members in new Member packets.
- F. PLAN will administer coverage under Cal-COBRA..
- G. Contract Holder or designee must also notify qualified Members of the ability to continue coverage prior to terminating an Agreement (such as this Agreement) under which a qualified Member is receiving continuation coverage. This notification shall be provided either thirty (30) days prior to the Agreement termination or when all other enrolled employees are notified, whichever is greater. Contract Holder or designee must notify any successor plan in writing of the qualified Members currently receiving continuation coverage to enable the successor plan, contracting employer (employer of record), or administrator to provide such qualified Members with the premium information, enrollment forms, and disclosures necessary to allow the qualified Members to continue coverage under other available group plans.
- H. If Contract Holder fails to meet these obligations, PLAN will not provide continuation coverage to qualified Members under COBRA. Contract Holder hereby acknowledges its obligations and agrees to comply with all applicable legal requirements with respect to COBRA.

ATTACHMENT C

ADDITIONAL REQUIREMENTS

The Parties further agree as follows:

I. EMPLOYEE JURY SERVICE

PLAN shall comply with Chapter 2.85 of the San Mateo County's Ordinance Code, which states that PLAN 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 PLAN, 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 PLAN or that the PLAN may deduct from an employee's regular pay the fees received for jury service in San Mateo County. By signing this Agreement, PLAN certifies that it has and adheres to a policy consistent with Chapter 2.85. For purposes of this Section, if PLAN has no employees in San Mateo County, it is sufficient for PLAN to provide the following written statement to Contract Holder: "For purposes of San Mateo County's jury service ordinance, PLAN 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, PLAN shall adopt a policy that complies with Chapter 2.85 of the San Mateo County's Ordinance Code."

II. HISTORY OF DISCRIMINATION

PLAN certifies that no finding of discrimination has been issued in the past 365 days against PLAN 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 PLAN within the past 365 days by the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or other investigative entity, PLAN shall provide Contract Holder 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 Contract Holder.

III. LIVING WAGE

As required by Chapter 2.88 of the San Mateo County Ordinance Code, PLAN 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.

IV. ELECTRONIC SIGNATURE

Both Contract Holder and PLAN wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law and San Mateo 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.

V. INSURANCE

a. General Requirements

PLAN 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 Contract Holder's Risk Management, and PLAN shall use diligence to obtain such insurance and to obtain such approval. PLAN shall furnish Contract Holder with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending PLAN's coverage to include the contractual liability assumed by PLAN pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to Contract Holder 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

PLAN 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, PLAN 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

PLAN shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect PLAN 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 PLAN's operations under this Agreement, whether such operations be by PLAN, 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:

- i. Comprehensive General Liability... \$1,000,000
- ii. Motor Vehicle Liability Insurance... \$1,000,000
- iii. Professional Liability... \$1,000,000

Contract Holder 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 Contract Holder and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the Contract Holder 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, Contract Holder, 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.

VI. CALIFORNIA PUBLIC RECORDS ACT REQUESTS

Nothing in this Agreement shall prevent PLAN or Contract Holder from complying with legal obligations to disclose information, including Confidential Information, pursuant to the California Public Records Act (California Government Code section 7920.000 et seq.), a valid subpoena or court order, or other applicable legal authority.