

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND
SENTRY DATA SYSTEMS, INC.**

THIS AGREEMENT, entered into this day of May, 2013, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and SENTRY DATA SYSTEMS, INC., hereinafter called "Contractor";

W I T N E S S E T H:

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

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of providing an application that allows San Mateo Medical Center (SMMC) to purchase and utilize 340B in its "mixed use" settings.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1.

Exhibits and Attachments

The following exhibits and attachments are included hereto and incorporated by reference herein:

Attachment No. 1 to Agreement, including the following attachments thereto:

- Exhibit A - Sentinel RCM™ Services
- Exhibit A-1 - Sentinel RCM™ Pricing & Invoicing
- Exhibit B - Sentrex™ Services
- Exhibit B-1 - Sentrex™ Pricing & Invoicing
- Exhibit C - Participating Facilities
- Exhibit D - Business Associate Agreement
- Exhibit E - Corporate Compliance SMMC Code of Conduct (Third Parties)

Attachment No. 2 - §504 Compliance

2.

Services to be performed by Contractor

In consideration of the payments set forth herein and in Attachment No. 1 hereto and its exhibits thereto, Contractor shall perform services for County in accordance with the terms, conditions and specifications set forth herein and in Attachment No. 1 hereto and its exhibits thereto.

3.

Payments

3.1 In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Attachment No. 1 and its exhibits, County shall make payment to Contractor based on the rates and in the manner specified in Attachment No. 1 and its exhibits.

3.2 In no event shall the County's total fiscal obligation under this Agreement exceed TWO MILLION SIXTY THOUSAND DOLLARS (\$2,060,000).

4.

Term and Termination

Subject to compliance with all terms and conditions, the term of this Agreement shall be from May 1, 2013, through April 30, 2018.

This Agreement may be terminated by Contractor or the Chief of the Health System or his/her designee at any time without a requirement of good cause upon ninety (90) days' written notice to the other party.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. Upon termination, the Contractor may make and retain a copy of such materials. 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 portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement.

5.

Availability of Funds

The County may terminate this Agreement or a portion of the services referenced in Attachment No. 1 and its exhibits based upon unavailability of Federal, State, or County funds, by providing written notice to Contractor as soon as is reasonably possible after the County learns of said unavailability of outside funding.

6.

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 the County and that Contractor acquires none of the rights, privileges, powers, or advantages of County employees.

7.

Hold Harmless

Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description, brought for, or on account of: (A) injuries to or death of any person, including Contractor; and (B) third party claims directly arising from or relating to Contractor's unauthorized use or disclosure of County's Protected Health Information; provided that County gives prompt written notice thereof to Contractor and County provides reasonable assistance to Contractor. Contractor's liability hereunder shall in no event exceed the total amount of Contractor's applicable insurance coverage.

8.

Subcontracting

Contractor shall not subcontract this Agreement or any portion thereof 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 subcontract without the County's prior written consent shall give County the right to automatically and immediately terminate this Agreement. In order to subcontract, Contractor shall provide written notice (email is acceptable) to the County representative identified in Section 3.3(a) of Attachment No. 1 to this Agreement. The County's consent to such subcontracting shall not be unreasonably withheld.

9.

Insurance

The Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this paragraph has been obtained. The Contractor shall furnish the County with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending the Contractor's coverage to include the contractual liability assumed by the 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 the County of any decrease in the limits of liability or of any cancellation of the policy.

(1) **Worker's Compensation and Employer's Liability Insurance.**

The Contractor shall have in effect during the entire term of this Agreement Workers' Compensation and Employer's Liability Insurance providing full statutory coverage.

(2) **Liability Insurance.** The Contractor shall take out and maintain during the term of this Agreement Comprehensive General Liability Coverage with limits of \$1,000,000/claim and \$3,000,000 aggregate.

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 the insurance afforded thereby to the County, its officers, agents, employees and servants shall be primary insurance to the full limits of liability of

the policy, and that if the County or its officers and employees 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 without providing equal or greater replacement coverage without any lapse in coverage, the County of San Mateo 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 services pursuant to this Agreement.

10.

Compliance with Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all 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 attached hereto and incorporated by reference herein as Attachment No. 2, which prohibits discrimination on the basis of handicap in programs and activities receiving any Federal or County financial assistance.

The parties agree that, pursuant to Section 70713 of Title 22 of the California Code of Regulations ("Title 22"), the County's facility retains all professional and administrative responsibility for services rendered under this Agreement and that this Agreement is otherwise subject to any applicable requirements of Title 22.

11.

Non-Discrimination and Other Requirements

- A. *Section 504 applies only to Contractor who is providing services to members of the public.* To the extent applicable to Contractor, Contractor shall comply with § 504 of the Rehabilitation Act of 1973, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination during the term of this Agreement.
- B. *General non-discrimination.* During the term of this Agreement, Contractor shall not discriminate against any employee or applicant for employment, 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.

- C. *Equal employment opportunity.* To the extent applicable to Contractor, 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.
- D. *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 Contractor to:
- i) termination of this Agreement; and
 - ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years after the violation;

The Contractor Shall comply fully with the non-discrimination requirements required by 41 CFR 60-741.5(a), which is incorporated herein as fully set forth.

12.

Controlling Law and Venue

The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation, and performance of this Agreement shall be governed by the laws of the State of California. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or the United States District Court for the Northern District of California.

13.

Notices

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

In the case of County, to:

Susan Ehrlich, MD, MPP
Chief Executive Officer
San Mateo Medical Center
222 W. 39th Avenue
San Mateo, CA 94403
Facsimile: (650) 573-2950

With Copy to:

County Counsel's Office
400 County Center
Redwood City, CA 94063
Facsimile: (650) 363-4034

In the case of Contractor, to:

Travis Leonardi, President
Sentry Data Systems, Inc.
600 Fairway Drive, Suite 201
Deerfield Beach, FL 33441
Facsimile: (954) 241-6812

In the event that the facsimile transmission is not possible, notice shall be given both by United States mail and an overnight courier as outlined above.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: _____

President, Board of Supervisors, San Mateo County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

SENTRY DATA SYSTEMS, INC.

Contractor's Signature

Date: 4-12-13

ATTACHMENT No. 1 TO AGREEMENT

This Attachment No. 1 to the Agreement between the County of San Mateo and Sentry Data Systems, Inc., together with all Exhibits attached to this Attachment No. 1 and incorporated herein ("Attachment"), is entered into by and between the County of San Mateo ("County") and Sentry Data Systems, Inc. ("Sentry"), effective as of the 1st day of May, 2013 ("Effective Date").

RECITALS

WHEREAS, County desires to engage Sentry to provide the services specified in this Attachment ("Services"), and Sentry desires to provide such Services to County.

NOW THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Engagement. County hereby engages Sentry, and Sentry accepts County's engagement, to provide those Services to County that are detailed in the following Exhibits A, A-1, B, B-1, and C pursuant to the terms and conditions of the Agreement and this Attachment, including Exhibits A, A-1, B, B-1, and C, which Exhibits are attached hereto and hereby incorporated by reference herein.

Additionally, all engagements require the execution of Exhibits D (Business Associate Agreement) and E (Corporate Compliance SMMC Code of Conduct (Third Parties)), which are attached hereto and are hereby incorporated by reference.

2. Definitions. Each Exhibit includes defined terms specific to the Services described in that Exhibit. Such defined terms are part of this Attachment as if fully set forth herein.

3. Obligations of the Parties.

- 3.1. Sentry's Obligations. Sentry will perform the Services specified in the Exhibits attached hereto as indicated in Section 1 hereof. In addition to the obligations required by the applicable Exhibits, Sentry will:

- a. Conduct its operation in compliance with applicable federal, state and local laws, rules and regulations.
- b. Obtain all required licenses and maintain such licenses in good standing with the issuing regulatory authorities.

- 3.2. County's Obligations. County will perform the obligations specified in the Exhibits attached hereto as indicated in Section 1 hereof. In addition to the obligations required by the applicable Exhibits, County shall also:

- a. Conduct its operations in compliance with all applicable federal, state and local laws, rules and regulations.
- b. Obtain all required licenses and maintain such licenses in good standing with the issuing regulatory authorities.
- c. Provide Sentry, on a timely basis with: (i) all required data in accordance with the specifications provided by Sentry, (ii) access to data as specified in this Attachment and/or the Exhibits hereto, and (iii) data that conforms to the specifications set forth or referenced in this Attachment, the attached Exhibits, and mutually agreed upon implementation plans. County acknowledges that the Services are executed only on the data received from the County.
- d. Provide Sentry, promptly following execution of the Agreement, the County's policies and procedures and/or rules upon which the Services will execute ("Policies and Procedures").

- 3.3. Joint Obligations/Implementation.

- a. As of the signing of this Attachment, the responsible person for the implementation project plan and the implementation calls for each County and Sentry shall be as follows:

For County: Gary L. Horne Director of Pharmacy (650) 573-2366 ghorne@smcgov.org	For Sentry: Chad Pierce Manager, Implementation 1.800.411.4566 Ext.2449 cpierce@sentryds.com
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- b. As soon as possible after the Effective Date of this Attachment, County and Sentry will mutually agree upon: (i) the roles and responsibilities of those involved in the project; (ii) an implementation project plan with scheduled deliverables; (iii) an escalation procedure when scheduled deliverables are not met; and (iv) mutually agreed upon data elements; provided, however, that in the event County does not provide to Sentry all the data elements per the Datanex Specifications document, then Sentry will inform County of the impact on the functionality of the Sentry Sentinel RCM and Sentrex systems, respectively.
- c. Within thirty (30) days from the Effective Date of this Attachment, County is to provide to Sentry all required data necessary to perform the Services set forth in this Agreement. The required data to be submitted by County must conform to the Datanex Specifications document in the implementation project plan mutually agreed-upon by the parties. County acknowledges and agrees that the data analytics and integration by Sentry pursuant to Exhibit A and Exhibit B shall not commence until such time as Sentry receives all the mutually agreed upon data from County.
- d. County is responsible for providing and updating all necessary data feeds to ensure compliance with Sentry's Datanex Specifications document. Furthermore, County is responsible for promptly notifying Sentry of any updates, modifications or changes to any data feed. County may choose to outsource the initial and/or ongoing delivery of these data feeds to a third party, including Sentry, but the contractual obligation for the ongoing conformance of these data feeds to meet the Datanex Specifications document remains County's sole responsibility.

4. Term and Termination.

- 4.1. Termination for Cause. If either party, at any time, materially fails to perform its obligations under the Agreement or breaches any material term or condition of the Agreement, and such material default or breach, being curable, continues uncured for a period of thirty (30) days following written notice to the defaulting party from the non-defaulting party, then the party who is not in breach may terminate the Agreement forthwith. If either party, at any time, breaches any material term or condition of the Agreement that is not curable, then the party who is not in breach may immediately terminate the Agreement. Notwithstanding anything to the contrary set forth in the Agreement, if such material default or breach is solely with respect to the provisions of either Exhibit A or Exhibit B of this Attachment, then the non-breaching party may, at its option, elect to terminate the Agreement in its entirety, or solely with respect to the provisions of such Exhibit to the Attachment.

In the event of termination under this Section 4.1, to the extent that services have been paid for by County for a given Service period under this Agreement, said Services shall, - and subject to Sentry's approval (such approval will not be unreasonably withheld), continue to be provided for the remaining duration of the period for which fees have been paid, notwithstanding such termination, if doing so is possible notwithstanding the uncured failure or breach that led to termination for cause.

- 4.2. Termination Due to Bankruptcy. In the event that during the term of the Agreement the County (i) becomes insolvent on balance sheet, unable to pay its liabilities, dissolves, or otherwise terminates its existence, and the event is not cured within 30 days after written notice to the County, or (ii) becomes subject to any proceeding, whether voluntary or involuntary, under any bankruptcy or insolvency law or laws relating to the relief of debtors, readjustment of indebtedness or reorganization or composition by or against the insolvent party, which proceeding, is not dismissed within 30 days of commencement, then the parties shall promptly work together to resolve County's financial obligations hereunder, and if not resolved to the satisfaction of Sentry promptly, then Sentry shall have the right to terminate the Agreement in its entirety.
- 4.3. Effects of Termination. Upon termination of the Agreement for any reason, each party shall immediately destroy or return to the other party any and all of the other party's confidential and proprietary information and all materials prepared by the other party (or its representatives), which contain or otherwise relate to the confidential and proprietary information in its possession or control. Upon either party's request, a duly authorized corporate officer of the other party shall certify in writing that such return and destruction has occurred.

- 4.4. Suspension of Services. In the event that County shall have any amounts past due for more than ninety (90) days, then, in addition to any other remedies at law or equity, Sentry shall have the right, in its sole discretion, upon two (2) business days' written notice, to suspend any Services being provided hereunder. Such suspension of Services will remain in effect until such time as County brings all amounts due to a fully paid status.
 - 4.5. Termination Due to Cancellation of 340B Program. In the event that the entire 340B Program is cancelled, County may immediately terminate the Agreement upon written notice to Sentry.
5. Pricing and Payment.
 - 5.1. Pricing. In consideration for the performance of Services hereunder by Sentry for County, County shall compensate Sentry as specified in each Exhibit attached to this Attachment and made a part the Agreement. Failure to make payments as specified herein shall constitute a material breach of this Agreement.
 - 5.2. Payment. In the event that County shall be more than thirty (30) days past due in respect of any amounts due Sentry under the Agreement, Sentry shall have, in addition to any other remedies hereunder, the right to charge interest at the rate of one and one-half percent (1.5%) per month on the outstanding balances ("Late Fees"). All payments received will be applied first to outstanding late fees. Additionally, should County be more than sixty (60) days in arrears, Sentry shall have the right to require County to provide a security deposit in an amount equal to twice (2x) the largest monthly invoice incurred by County hereunder.
6. Intellectual Property, Warranty, Liability Limitation.
 - 6.1. "Intellectual Property" shall mean inventions, works of authorship or art, websites, domain names, documentation, know-how, plans, copyrights, trademarks, patents and patent applications, business models, business plans, business lines, business strategies, trade secrets, information relating to any product or process, developments, research work, improvements, discoveries, creations, computer programs, designs, concepts, formulas, ideas, methods, proprietary data, techniques, all object and source code, screens, drawings, data, prototypes, algorithms, procedures, compilations, programming, systems, writings, and other intellectual property rights and technical information and materials, in oral, demonstrative, written, graphic or machine-readable form, and either owned as of the effective date of the Agreement or independently developed thereafter and any and all derivative works therefrom and any and all patents and copyrights therein or any improvements thereof or other property that is commonly referred to as intellectual property.
 - 6.2. Ownership of Intellectual Property. County acknowledges and agrees that Sentry shall retain all right, title and ownership of any and all Sentry's Intellectual Property including any and all enhancements and modifications thereto and derivative works thereof. County shall not take any ownership interest or implied license right in any element, segment or component of the intellectual property of Sentry which is incorporated in the Services. Sentry, its successors and assigns, further reserve the right to make modifications, updates, improvements (including any derivative works thereof) or other changes to any pre-existing works or derivative works based on Sentry's technology or any portion thereof.
 - 6.3. No "Works Made For Hire" Intended. County acknowledges and agrees that any Intellectual Property developed by Sentry, either at the request of the County or as may otherwise be necessary for its performance hereunder shall continue to be the property of Sentry and shall not constitute a work made for hire.
 - 6.4. Authority Warranty. Each party represents and warrants to the other party that: (i) it has the authority to enter into the Agreement, (ii) entering into the Agreement will not cause the representing party to violate or otherwise be in default of the representing party's other agreements, and (iii) it has qualified and experienced personnel for the performance of the Agreement. In addition, Sentry hereby represents and warrants that it owns or possesses legal rights to provide Services to County hereunder.
 - 6.5. Reservation of Rights. All rights not expressly granted to County under this Attachment are reserved and retained by Sentry. Except as expressly provided in this Attachment, County is not granted any rights to patents, copyrights, trade secrets, trade names, trademarks or any other rights or licenses with respect to the Services.
 - 6.6. Disclaimer. Except as otherwise expressly set forth herein, NEITHER SENTRY NOR ANY OF ITS AFFILIATES OR LICENSORS MAKES AND SHALL NOT BE DEEMED TO HAVE MADE, ANY WARRANTY OR REPRESENTATION TO COUNTY OR ANY OTHER PERSON OR COUNTY IN CONNECTION WITH THE SERVICES OR PRODUCTS, ANY SUBJECT MATTER CONTAINED WITHIN THE AGREEMENT OR ANY

EXHIBITS HERETO AND EXPRESSLY DISCLAIMS ANY AND ALL EXPRESS AND/OR IMPLIED WARRANTIES AND REPRESENTATIONS, INCLUDING WITHOUT LIMITATION ANY EXPRESS AND/OR IMPLIED WARRANTIES OF MERCHANTABILITY, SUITABILITY AND/OR FITNESS FOR A PARTICULAR USE OR PURPOSE, WITH RESPECT TO ANY AND ALL PRODUCTS AND/OR SERVICES HEREUNDER. In addition, County hereby acknowledges and agrees that the Services are executed only on the data that Sentry receives from County and the County's own Policies and Procedures.

- 6.7 Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY, IN NO EVENT SHALL SENTRY, ITS AFFILIATES, LICENSORS OR ANY PERSON OR COUNTY THAT HAS BEEN INVOLVED IN THE CREATION OF THE PRODUCTS OR DELIVERY OF SERVICES BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOSS OF PROFITS, LOSS OF DATA OR LOSS OF GOODWILL, REGARDLESS OF THE FORM OF ACTION, ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT, THE FURNISHING, PERFORMANCE OR USE OF ANY PRODUCTS, ANY OTHER MATERIAL AND/OR SERVICES PROVIDED HEREUNDER OR PERFORMED IN CONNECTION WITH THE AGREEMENT, OR COUNTY'S FAILURE TO PERFORM ITS OBLIGATIONS TO THIRD PARTIES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Except for Sentry's liability arising pursuant to Section 6.8 below, the entire liability of Sentry, its affiliates or licensors for any action, claim or cause of action whatsoever, including without limitation, breach of contract, warranty, tort, negligence or any other legal theory, shall be exclusively limited to the replacement of the non-conforming Service. In no event shall the damages exceed the fees received by Sentry in respect to the non-conforming Service in the 12 months immediately preceding the default. THE PRICE STATED FOR THE SERVICES IS A CONSIDERATION IN LIMITING LIABILITY.
- 6.8 Indemnification Regarding Intellectual Property. Sentry agrees to defend, indemnify and hold harmless County, its affiliates, and its and their directors, officers, employees, agents, predecessors, successors-in-interest and assignees (collectively, the "Indemnified Parties") from and against any claims, losses and damages arising out of third party claims that all or any part of the Services provided hereunder, or the receipt or use thereof, infringe upon or otherwise violate any United States copyright, trademark, service mark, or patent of any third party or misappropriate any trade secret of any third party, provided that (i) County gives a prompt written notice thereof to Sentry; (ii) County provides assistance to Sentry and allows Sentry to solely direct the defense and settlement of such action; and (iii) such claim is not caused by and based on the use or the combination of the Services with other programs, data, software or hardware not supplied by Sentry or from the use of the Services in excess of the rights granted hereunder.

7. Information, Confidentiality.

- 7.1. Protected Health Information Agreement. The privacy and security regulations of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") contemplate that health providers and others called "covered entities" may be required to enter into certain "business associate agreements" with persons or entities that assist in treatment, payment, or health care operations and who have access to "protected health information." The parties agree to execute a business associate agreement or take such steps as may be required by HIPAA or similar regulations. The parties agree to comply with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Parts 160 through 164 and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 164 (collectively the "HIPAA Regulations"), to the extent applicable to the Agreement and agree not to use or further disclose any protected health information as defined in 45 C.F.R. 160.103 ("PHI") concerning County patients other than as permitted by the Agreement and the requirements of HIPAA or regulations promulgated there under. Sentry will implement appropriate safeguards to prevent the inappropriate use or disclosure of PHI. Sentry shall make its internal practices, books and records relating to the use and disclosure of PHI available to the Secretary of Health and Human Services to the extent required for determining compliance with the HIPAA Regulations. Sentry will execute the business associate agreement with County attached hereto as Exhibit D.
- 7.2. Access to Books and Records & Audit Assistance. Sentry agrees to make available to the Comptroller General of the United States Department of Health and Human Services ("HHS") and their duly authorized representatives, the books, documents and records of Sentry and such other information as may be required by the Comptroller General or Secretary of HHS to verify the nature and extent of the costs of services provided by Sentry. The obligation of Sentry to make records available shall extend for four (4) years after the furnishing of the latest services under the Agreement.

To the extent that the County does not already have in its possession the records to meet County's audit responsibilities under the 340B Program standards published by Health Resources and Services Administration,

County shall submit a written request to Sentry for access to the County's records then currently in Sentry's possession that are applicable to the Services provided to County during the Term of this Agreement. In the event a request is made by County under this Section during the Term of this Agreement, Sentry will reasonably assist County with County's audit responsibilities without an additional charge to County for a maximum of one (1) business day (eight (8) hours). However, if County's request under this Section requires onsite audit assistance or such audit assistance from Sentry will require more than one (1) business day to complete, then Sentry will provide to County a Statement of Work for the audit project. Sentry's time for the audit participation will be charged at a rate of \$200.00 per hour. County hereby agrees to be responsible for Sentry's travel expenses for any onsite audit assistance that is requested by County. In the event County requests, after the Termination Date of this Agreement and during the time that County's data is still held by Sentry, participation from Sentry in a regulatory audit of County pertaining to County's data processed under this Agreement, then prior to Sentry's assistance, County will provide the specifications needed and Sentry will provide a Statement of Work for the audit project. County shall have the right to accept any Statement of Work as presented or revise the Statement of Work, subject to Sentry's acceptance of such revisions, based on the \$200.00 per hour fee.

- 7.3. Confidentiality. The parties agree that during the negotiation and the term of the Agreement, each party has learned or may learn of confidential and proprietary information, including, but not limited to, intellectual property, belonging to the other party. Accordingly, the parties agree that the confidential and proprietary information of each party shall remain that party's sole and exclusive property during the term of the Agreement and thereafter, and except as required by legal process, neither party, directly or indirectly, may reveal, disclose or disseminate by publication of any sort or release in any manner or means, the other party's confidential or proprietary information. In the event a receiving party becomes legally compelled (by deposition, interrogatories, requests for information or documents, subpoena, civil or criminal investigatory demand, or similar process) to disclose any of the confidential information of a disclosing party, then the receiving party shall provide the disclosing party with a prompt written notice of the request or requirement so that the disclosing party may seek a protective order or other remedy sufficient to the disclosing party or waive compliance with the provisions of the Agreement. If a protective order or other remedy sufficient to the disclosing party is not obtained, or if the disclosing party waives in writing compliance with the terms of the Agreement, then the receiving party may furnish only that portion of the confidential information which the receiving party is advised by written opinion of its counsel is legally required to be disclosed. The parties further agree to take reasonable steps to cooperate with each other in seeking to obtain any protective order or other assurance of confidential treatment of the confidential information.

Each of the parties hereto acknowledges that irreparable harm, for which there would be no adequate remedy at law, would arise from a violation of the confidentiality obligations under the Agreement. Therefore, each party acknowledges that a breach of the confidentiality obligations hereunder would give rise to a right to an injunction in favor of the non-breaching party. Notwithstanding the foregoing, the parties are entitled to pursue any appropriate remedies at law or in equity for breach of the Agreement. Sentry reserves the right to use and aggregate de-identified data (data devoid of protected health information) in Sentry's research and development initiatives as well as future Sentry products and/or services. County acknowledges that such de-identified data is not subject to any confidentiality obligations and that Sentry has an unrestricted and irrevocable right to use, modify, disclose, sell and otherwise distribute any de-identified data to others. The terms of this Section 7.3 shall indefinitely survive the termination or expiration of the Agreement.

8. Miscellaneous.

- 8.1. Entire Agreement. The Agreement, together with all Attachments and Exhibits incorporated into the Agreement by reference, contains the entire understanding among the parties and supersedes any prior understandings and written or oral agreements among them in regard to the subject matter of the Agreement; provided, however, that any agreement whose principal purpose is to provide for confidentiality of information and that has been entered into between the parties prior to the date hereof shall survive to the extent that it is not inconsistent with the terms and conditions of the Agreement. There are no other oral or written representations, agreements, arrangements or understandings between and among the parties relating to the subject matter of the Agreement that are not fully expressed in this Agreement. In the event that any term, condition, provision, requirement or specification set forth in Sections 3.2, 4, 5, 12, and 13 of the body of the Agreement conflicts with or is inconsistent with any term, condition, provision, requirement or specification in Attachment No. 1 or any other exhibit, the provisions of the body of the Agreement shall prevail.
- 8.2. Contract Liaison. By letter, each party may designate a person to serve as its contract liaison to the other party. In the absence of a designation of a contract liaison, the first named person signing the Agreement on behalf of each party shall serve as that party's contract liaison.

- 8.3. Relationship of the Parties. The Agreement does not create an employment, partnership, joint venture or agency relationship between the parties of any kind or nature. Except as may specifically be authorized pursuant to the Agreement, neither party shall have any right, power, or authority under the Agreement to act as a legal representative or attorney-in-fact of the other party, and neither party shall have any power to obligate or bind the other or to make any representations, express or implied, on behalf of or in the name of the other in any manner or for any purpose whatsoever. County acknowledges that Sentry and its officers are engaged in the business of owning or managing health care business ventures and agrees that the Agreement imposes no restriction on the present and future business of Sentry or its officers (in a corporate capacity as well as individual capacity) in owning or managing other health care or other business ventures.
- 8.4. Subcontractors. The parties hereby agree that each party shall be individually responsible for any acts, failures and/or omissions to act by an agent, contractor or subcontractor retained by the respective party as if they were the acts, failures, and/or omissions to act by a named party to this Agreement.
- 8.5. Successors. The Agreement and all the terms and provisions of it shall be binding on and shall inure to the benefit of the parties and their respective legal representatives, heirs, successors and assigns, except as otherwise expressly provided for in the Agreement.
- 8.6. Modification. The Agreement may not be modified, supplemented or amended except by a writing signed by both parties hereto.
- 8.7. Interpretation. The Agreement shall be deemed to have been jointly drafted and no provision shall be interpreted more favorably on behalf of one party over the other.
- 8.8. Section Headings. The various section headings are inserted for convenience only and shall not affect the meaning or interpretation of the Agreement or any section thereof.
- 8.9. Severability. In the event that any provision of this Agreement is found to be invalid and/or unenforceable, then that provision shall be severed from this Agreement, with the balance of this Agreement remaining in full force and effect.
- 8.10. Survival. The provisions of those sections which by their nature were intended to survive the Agreement's termination or expiration date, shall so survive and continue beyond any termination or expiration of the Agreement.
- 8.11. Waiver. Unless agreed to in writing, the failure of either party, at any time, to require performance by the other of any of the provisions hereunder, shall not affect its rights thereafter to enforce the same, nor shall a waiver by either party of any breach of any provision hereunder be taken or held to be a waiver of any other preceding or succeeding breach of any term or provision of the Agreement. No extension of time for the performance of any obligation or acts shall be deemed to be an extension of time for any other obligation or act hereunder.
- 8.12. Assignment. The Agreement shall not be assignable by either party without the prior written consent of the other party, which may be given or withheld in that party's sole discretion. Notwithstanding the foregoing, Sentry may assign the Agreement to its successor in interest and/or delegate one or more of its obligations hereunder and under the Exhibits attached hereto and made a part hereof to one or more of its agents, contractors, subcontractors, subsidiaries or affiliates, provided that such delegation shall not relieve Sentry of any of its obligations hereunder. In the event of such assignment by Sentry, Sentry will provide a written notice to County of the successor in interest and County may choose to terminate the Agreement in its entirety within 30 days of the date of the written notice.
- 8.13. Counterparts and Facsimiles. The Agreement may be executed in one or more counterparts, and may be delivered via facsimile, each of which counterparts and facsimiles shall be deemed an original for all purposes, but all of which shall constitute one and the same instrument.
- 8.14. Calendar Days. All date calculations herein shall be in calendar days unless expressly noted otherwise herein.

- 8.15. Force Majeure. Neither party will be liable for or be deemed to have breached any of its obligations under the Agreement (other than an obligation to pay money) if that party's failure to perform under the terms of the Agreement is due to any of the following: failure or delay in performance by the other party to the Agreement or anyone acting for or under such other party; any strikes, lockouts, acts of God, insurrection, riots, wars, terrorist attacks, natural disasters, fires, explosions, epidemics, quarantines, earthquakes, storms, floods, any shortages of energy, fuel, or any utility (e.g., electrical, natural gas, etc.) failure or disturbance however caused; any governmental action not the fault of the non-performing party or similar condition or circumstance that is not caused by the non-performing party.

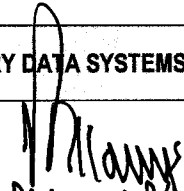
IN WITNESS WHEREOF, the parties have caused this Attachment to be executed as of the date written below.

SENTRY DATA SYSTEMS, INC.	COUNTY OF SAN MATEO
----------------------------------	----------------------------

By:

Name:

Title:


PAUL KAMP
CEO

By:

Name:

Title:

Technology Services Agreement

Exhibit A: Sentinel RCM™ Services

Pursuant to the terms of the Agreement, Attachment No. 1, and this Exhibit A, the services Sentry will provide to County will include those services set forth in this Exhibit A. The parties acknowledge that the Sentinel RCM Services described herein shall be provided separately to each of the Participating Facilities listed on Exhibit C. Accordingly, references in this Exhibit to "County" shall be deemed, where appropriate, to refer to each Participating Facility individually.

1. Definitions. All defined terms in this Exhibit, which are not specifically listed below, are included in the Agreement of which this Exhibit is a part. In addition to the capitalized terms defined in the Agreement, the following terms shall have the following meanings for purposes of this Exhibit A:
 - 1.1. "Covered Person" means an individual who meets the definition of a patient under the 340B Program, as outlined in the County's Policies and Procedures.
 - 1.2. "Drug Wholesaler" means a company that serves as an intermediary between a drug manufacturer and the County for the drug purchases by the County of 340B Program and non-340B Program drugs and products.
 - 1.3. "County's Pharmacy" means an County's pharmacy that dispenses medications to Outpatients within the walls or legal structure of the County.
 - 1.4. "HIS" means the County's administrative, clinical and financial information systems.
 - 1.5. "Outpatient" means an individual who receives outpatient services from or under referral from the County.
 - 1.6. "Participating Facility" means each of those facilities listed on Exhibit C. Additional facilities may be added from time to time upon a request by County and subject to a mutually agreed upon written amendment that adds such facilities to Exhibit C.
 - 1.7. "Sentinel RCM" or "Sentinel RCM Services" shall mean the Web-delivered Sentry Sentinel RCM which County is being granted access to in connection with Sentry's 340B Program services as specified herein.
2. Obligations of the Parties.
 - 2.1. If requested by County, Sentry can provide County with an example set of Policies and Procedures, after the Agreement is signed. County is required to adapt, conform or otherwise author its own Policies and Procedures in accordance and compliance with the requirements of the 340B Program regulations. Upon having done same and after review by Sentry, County's Sentinel RCM will be executed under this Exhibit in accordance therewith. County's governing Policies and Procedures will be the latest version of County's Policies and Procedures as uploaded at secure.sentryds.com, and any updates and/or revisions thereto will be made only electronically by uploading them to secure.sentryds.com. Sentry will provide County with access to the Sentinel RCM, which executes on the Policies and Procedures of the County, to enable County to: (a) track medications dispensed through the County's Pharmacy; (b) determine which medications need to be replenished for the County's Pharmacy; (c) determine whether to replenish such medications through the 340B Program; and (d) create an audit trail for all dispensations replenished using the 340B Program, such that County can verify and demonstrate that it has not dispensed through the County's Pharmacy a drug purchased through the 340B Program to an individual who is not a Covered Person. Pursuant thereto, Sentry will provide the following services:
 - 2.1.1. Utilize data from the County's HIS systems as necessary to determine whether an individual receiving medication from the County's Pharmacy is a Covered Person at the time when such medications were received;
 - 2.1.2. Load applicable price lists from the County's Drug Wholesaler for County;
 - 2.1.3. Track all medications dispensed to Covered Persons and list items available for replenishment under the 340B Program. Sentinel RCM, based on input from County, will prepare electronic replenishment orders to Drug Wholesaler or County's materials management system, as determined by County, for medications that have reached the NDC (National Drug Code) quantity package size unit of issuance, utilizing the 340B Program price list and identifying the price to be paid by County;

- 2.1.4. Submit County generated and approved replenishment orders electronically to Drug Wholesaler or County's materials management system, as determined by County (all 340B Program replenishment orders to be approved by authorized County Pharmacy staff);
- 2.1.5. Electronically match all replenishment orders, replenishment order acknowledgements and shipments received from Drug Wholesaler (subject to the County's Pharmacy's inventory and/or materials management system limitations);
- 2.1.6. Provide County with a tool that electronically audits and reconciles all medications dispensed to Covered Persons, invoices, replenishment orders, shipments received and payments (subject to the County's Pharmacy's inventory and/or materials management system limitations);
- 2.1.7. If County provides Sentry with price lists for non-340B Program priced drugs, provide reports that show cost savings from the utilization of the Sentinel RCM;
- 2.1.8. At the end of each claims cycle, or other processing time period as mutually agreed to by the parties, provide reports to County regarding the amounts owed to Drug Wholesaler (subject to Sentry receiving electronic purchase order acknowledgements from Drug Wholesaler) and Sentry;
- 2.1.9. Provide a secure web portal for authorized County staff to monitor and utilize the Sentinel RCM;
- 2.1.10. Provide training as set forth in Section 3 below and user manuals to authorized County staff on the use of the Sentinel RCM; and
- 2.1.11. Issue a Login ID and Temporary Password to all County staff authorized to use the Sentinel RCM.
- 2.2. County will:
 - 2.2.1. Establish a separate and distinct 340B Program account with Drug Wholesaler;
 - 2.2.2. Assign one or more authorized County staff to review, process and authorize all replenishment orders generated through the Sentinel RCM;
 - 2.2.3. Make authorized County personnel available for training on the use of the Sentinel RCM;
 - 2.2.4. Provide Sentry with the data as specified by Sentry;
 - 2.2.5. Pay Drug Wholesaler for the drug costs associated with all replenishment orders made via the Sentinel RCM and shipped to the County's Pharmacy. Payments to Drug Wholesaler will be calculated by Sentry based upon the 340B Program price list furnished to Sentry as described in Section 2.1.2 above;
 - 2.2.6. County shall not enter into a contract, or any other similar arrangement, for 340B Program systems and services similar to those provided under this Exhibit A with any third party other than Sentry during the term of this Agreement; and
 - 2.2.7. So long as the Agreement is in effect, maintain its enrollment in the 340B Program as long as County qualifies for covered County status under such program.
- 3. Training. For all Services purchased by County under the Agreement, Sentry agrees to provide remote training and three (3) on-site visits to each Participating Facility (as identified in Exhibit C (Participating Facilities*) attached hereto) at no additional cost to County, in the access to the Sentinel RCM Services to any staff members selected by County, which training shall be provided at mutually agreed upon times during all necessary shifts. In the event that fewer than three (3) on-site visits are provided to any individual Participating Facility, the total number of on-site visits that were not provided may be pooled, and, at County's option, used for any other Participating Facility. The total number of on-site visits to be provided by Sentry shall in no event exceed the number of Participating Facilities multiplied by three (3). Notwithstanding anything to the contrary, Sentry shall be entitled to a flat fee of five thousand dollars (\$5,000.00) for each two (2) day on-site visit that exceeds the maximum number of visits provided for herein.

4. Payment Terms. As consideration for access to the Sentinel RCM and related services as described herein, County shall pay Sentry in accordance with the terms and conditions outlined in Exhibit A-1 attached hereto and made a part hereof.
5. Service Level Agreement. Sentry agrees to provide:
 - 5.1. 99% uptime to services and systems during normal business hours of operation, defined as Monday – Sunday, 7AM-10PM Eastern Standard Time, as measured over the course of a month.
 - 5.2. Exceptions to the 99% commitment are: scheduled maintenance; force majeure (including federally declared natural disasters in either County's or Sentry's physical location); technical difficulties attributable to any non-Sentry computer hardware, claims processing software, claims processing clearinghouse or switch; technical difficulties attributable to a Covered Person's third-party system; or technical difficulties attributable to County's data interface with Sentry unless such technical difficulties are the fault of Sentry.
6. Miscellaneous Provisions.
 - 6.1. Longitudinal Administrative Record. The Longitudinal Administrative Record ("LAR") is generated by County's data and is a record documenting the health care services that required the use of the 340B Program.
 - 6.2. Termination. In addition to termination pursuant to Section 4 of the Agreement and Section 4 of Attachment No. 1, the Agreement may also be terminated as follows:
 - 6.2.1. Termination Due to Loss of Covered County Status. Either party may immediately terminate this Agreement, upon written notice to the other party, if County ceases to qualify as a covered County under the 340B Program.

Technology Services Agreement

Exhibit A-1: Sentinel RCM™ Pricing & Invoicing

1. In consideration of the services provided by Contractor as set forth in Exhibit A, County shall pay Contractor as set forth in this Exhibit A-1 and Attachment No. 1 of this Agreement.
2. **Product or Service:** Sentinel RCM and the following modules: 340B and DRA Tool.
 - a. "340B" is a Sentinel RCM module that acts according to the County's policies and procedures to operate and maintain compliance with the 340B Program Drug Pricing Program.
 - b. "DRA Tool" is a Sentinel RCM module that automates the reporting of all 340B Program medications dispensed to Medicaid patients by 11-digit NDC. Dispensations are collated and presented to County's staff for review and subsequent submission to Medicaid.
3. **Pricing:** County shall pay Sentry the fees as listed in the below table. All fees are non-refundable. The Sentinel RCM Base Fee and the Sentinel RCM Implementation Fee are due for each Participating Facility.
4. **Invoicing:** Unless specified otherwise in the below table, invoices shall be due and payable upon receipt by County.
5. **Re-Implementation Fee:** In the event Sentry is required at any time after the initial Go Live Date* to re-implement hereunder whereby Sentry is required to update or create a new data feed, Sentry will charge, and County shall pay, a re-implementation fee \$10,000 per each feed so created or updated.

BASE FEE(S)				
Location	Service	Fee	Billing Basis	Billing Cycle
DSH050013	Sentinel RCM Base Fee	\$25,000	Annual	Effective Date of the Agreement, and Each anniversary date of the Effective Date of the Agreement during the remainder of the term
DSH050013	340B Fee	\$20,000	Annual	Effective Date of the Agreement, and Each anniversary date of the Effective Date of the Agreement during the remainder of the term
DSH050013	DRA Tool Fee	\$18,000	Annual	Effective Date of the Agreement, and Each anniversary date of the Effective Date of the Agreement during the remainder of the term
OTHER				
DSH050013	Fee after Suspension per Section 4.4 of Attachment No. 1 is Lifted	\$5,000	One-time	Prior to lifting suspension

* "Go Live Date" for Sentinel RCM means the date the first successful order is transmitted to the Drug Wholesaler via the Sentinel RCM system.

Exhibit B: Sentrex™ Services

Pursuant to the terms of the Agreement, Attachment No. 1, and this Exhibit B, the services Sentry will provide to County will include those services set forth in this Exhibit B. The parties acknowledge that the Sentrex™ Services described herein shall be provided separately to each of the Participating Facilities listed on Exhibit C. Accordingly, references in this Exhibit to "County" shall be deemed, where appropriate, to refer to each Participating Facility individually.

1. Definitions. All defined terms in this Exhibit, which are not specifically listed below, are included in the Attachment of which this Exhibit is a part. In addition to the capitalized terms defined in the Attachment, the following terms shall have the following meanings for purposes of this Exhibit B:
 - 1.1 "Contract Pharmacy" means a pharmacy that has entered into a 340B Program Pharmacy Services Agreement with County.
 - 1.2 "Covered Person" means an individual who meets the definition of a patient under the 340B Program, as outlined in the County's Policies and Procedures.
 - 1.3 "Drug Wholesaler" means a company that serves as an intermediary between a drug manufacturer and the County for the drug purchases by the County of 340B Program and non-340B Program drugs and products.
 - 1.4 "Non-Sentry 340B Contract Pharmacy" means a Contract Pharmacy which does not utilize Sentry's 340B Program infrastructure.
 - 1.5 "OPA" means the Office of Pharmacy Affairs of HRSA.
 - 1.6 "Participating Facility" means each of those facilities listed on Exhibit C. Additional facilities may be added from time to time upon a request by County and subject to a mutually agreed upon written amendment that adds such facilities to Exhibit C.
 - 1.7 "PSA" or "Pharmacy Services Agreement" means an agreement which the County enters into with a Contract Pharmacy in order to provide 340B medications to patients of County's Participating Facilities.
 - 1.8 "Sentrex Services" means the services provided by Sentry to County under this Exhibit.
2. Obligations of the Parties.
 - 2.1 If requested by County, Sentry can provide County with an example set of Policies and Procedures relating to the 340B program, after the Agreement is signed. County is required to adapt, conform or otherwise author its own Policies and Procedures in accordance and compliance with the requirements of the 340B Program regulations. Upon having done same and after review by Sentry, County's Sentrex will be executed under this Exhibit in accordance therewith. County's governing Policies and Procedures will be the latest version of County's Policies and Procedures as uploaded at secure.sentryds.com, and any updates and/or revisions thereto will be made only electronically by uploading them to secure.sentryds.com. Sentry will provide County with access to Sentrex which executes on specific Policies and Procedures adopted by the County to enable County to: (a) determine whether drugs dispensed through a Contract Pharmacy are eligible for replenishment through the 340B Program; (b) arrange for such replenishment; and (c) create an audit trail such that County can verify and demonstrate that it has not dispensed through the Contract Pharmacy a drug purchased through the 340B Program to an individual who is not a Covered Person. Pursuant thereto, Sentry will provide the following services:
 - 2.1.1 Utilize all applicable data that is transmitted per the implementation plan as may be required by Sentry for purposes of performing the services set forth on this Exhibit B;
 - 2.1.2 Load applicable price lists from the County's Drug Wholesaler for County;
 - 2.1.3. If requested, assist County in negotiating a Pharmacy Services Agreement ("PSA") for each eligible County site;
 - 2.1.4. If requested, assist County in developing a patient communications plan to be executed by County that will optimize patient participation in the County 340B Program plan;

- 2.1.5. Aggregate, prepare, price, and submit on behalf of County, replenishment orders, in a schedule mutually agreed upon between the parties, for drugs dispensed by the Contract Pharmacy under the County's 340B Program plan;
 - 2.1.6. Prepare semi-monthly Sentrex Pharmacy reconciliations and invoices and retrospective reconciliations. For the retrospective reconciliation during each invoicing period, pursuant to the executed PSA or the Covered County's Policies and Procedures, Sentrex may re-examine eligibility information that has become available to make a previously ineligible claim now 340B Program eligible, Sentrex will add the additional 340B Program eligible claims from a previous invoicing period to the current;
 - 2.1.7. If County purchases Own Use module, then Sentry will divide drug purchases into three categories: (i) 340B Program, (ii) Own Use, and (iii) non-contract prescriptions;
 - 2.1.8. For all Services purchased by County under the Agreement, Sentry agrees to provide remote training and three (3) on-site visits to each Participating Facility (as identified in Exhibit C (participating Facilities*) attached hereto) at no additional cost to County, in the access to Sentrex to any staff members selected by County, which training shall be provided at mutually agreed upon times during all necessary shifts. In the event that fewer than three (3) on-site visits are provided to any individual Participating Facility, the total number of on-site visits that were not provided may be pooled, and, at County's option, used for any other Participating Facility. The total number of on-site visits to be provided by Sentry shall in no event exceed the number of Participating Facilities multiplied by three (3). Notwithstanding anything to the contrary, Sentry shall be entitled to a flat fee of five thousand dollars (\$5,000.00) for each two (2) day on-site visit that exceeds the maximum number of visits provided for herein; and
 - 2.1.9. Maintain adequate pharmacy, financial and administrative records related to Sentrex services including, but not limited to, reasonable documentation of all the Covered Persons' data related to Sentry's services under the Agreement.
- 2.2. County will:
- 2.2.3. Enter into a PSA with pharmacies that are consistent with 340B Program requirements;
 - 2.2.4. Make all County program account payments through Automated Clearing House transfers, except as otherwise agreed in writing by the parties hereto;
 - 2.2.5. Establish separate and distinct 340B Program "bill to" and "ship to" inventory purchase accounts with Drug Wholesaler for each Contract Pharmacy;
 - 2.2.6. Make available authorized County personnel for training on the use of Sentrex;
 - 2.2.7. Provide Sentry with data that meets the data requirements as specified by Sentry;
 - 2.2.8. Arrange for Sentry to receive all available information about and pricing on the existing non-340B Program account with Drug Wholesaler; and
 - 2.2.9. During the term of the Agreement, County shall not enter into a contract, or any other similar arrangement, for 340B Program systems and services similar to the Sentrex Services with any third party other than Sentry. To the extent that County uses any other 340B Program vendor or Contract Pharmacy, such vendor or Contract Pharmacy must utilize Sentry's 340B Program infrastructure if County wishes to include that vendor or Contractor Pharmacy in the Sentrex Services. Nothing in this section shall prohibit County from contracting with a Non-Sentry 340B Contract Pharmacy to provide services so long as County acknowledges such Non-Sentry 340B Contract Pharmacy has its own system for providing services similar to those outlined by this Exhibit and that Sentry is under no obligation to include said Non-Sentry 340B Contract Pharmacy in the Sentrex Services.

3. Fees and Payments.

- 3.1. Pursuant to the Contract Pharmacy arrangements to be entered into by County and its Contract Pharmacies, County shall pay each Contract Pharmacy the negotiated filling fee for each Paid Pharmacy Claim associated with the pharmacy services furnished by such Contract Pharmacy for Covered Persons under Sentrex.

- 3.2. County shall pay Drug Wholesaler for the drug ingredient costs associated with all replenishment orders shipped to Contract Pharmacies on behalf of County under Sentrex. Payments to Drug Wholesaler will be calculated by Sentry based upon the 340B Program price list furnished to Sentry by Drug Wholesaler.
- 3.3. County shall make arrangements to fulfill its responsibilities to collect the fees and make payments under Sections 3.1, 3.2 and 4 hereof. County shall pay Sentry for its Services as specified in Section 4 hereof.
4. Payment Terms. In consideration of the Services described in this Exhibit B, County shall pay Sentry as specified in Exhibit B-1 attached hereto and made a part hereof.
5. Service Level Agreement. Sentry agrees to provide:
 - 5.1. 99% uptime to services and systems during normal business hours of operation, defined as Monday–Sunday, 7AM–10PM PST, as measured over the course of a month.
 - 5.2. Exceptions to the 99% commitment are: scheduled maintenance; force majeure (including federally declared natural disasters in either County's or Sentry's physical location); technical difficulties attributable to any non-Sentry computer hardware, claims processing software, claims processing clearinghouse or switch; technical difficulties attributable to a Covered Person's 3rd party Pharmacy Benefit Manager (PBM) system, or technical difficulties attributable to County's data interface with Sentry unless such technical difficulties are the fault of Sentry.
6. Miscellaneous Provisions.
 - 6.1. Pharmacy Services Agreement. In the event County plans to execute, or has executed, a PSA, County will need to ensure that said PSA includes Sentry's Sentrex Service requirements if County wishes the associated Contract Pharmacy to be covered under the Sentrex Services. Thereafter, with respect to any modifications to either the sample form of the PSA provided by Sentry or the already-executed PSA, County hereby agrees to (i) notify Sentry and (ii) obtain Sentry's agreement in writing to any modifications to the sample form of the PSA or the already-executed PSA in order to assure that Sentry will be able to support any of such modifications to the PSA. However, this obligation does not apply to any Non-Sentry 340B Contract Pharmacy.
 - 6.2. Electronic Health Record. The Electronic Health Record ("EHR") is generated by County's data and is a record documenting the health care services that required the use of the 340B Program. The EHR is required to be reviewed and adopted by the County's medical records department and adopted by the County's medical records committee to be an integral part of the patient's medical record. Each party hereby acknowledges and agrees that the data residing in the EHR is a part of the County's official medical records.
 - 6.3. Termination. In addition to termination pursuant to Paragraph 4 of the Agreement and Section 4 of Attachment No. 1, the Agreement may also be terminated as follows:
 - 6.3.1. Termination Due to Loss of Covered County Status. Either party may immediately terminate the Agreement, upon written notice to the other party, if County ceases to qualify as a covered County under the 340B Program.

Exhibit B-1: Sentrex™ Pricing & Invoicing

1. In consideration of the services provided by Contractor as set forth in Exhibit B, County shall pay Contractor as set forth in this Exhibit B-1 and Attachment No. 1 of this Agreement.
2. **Product or Service:** Sentrex.
3. **Pricing:** County shall pay Sentry the fees as listed in the below table. All fees are non-refundable. The Sentrex Services fees set forth below do not include fees associated with any of County's Contract Pharmacies and are independent and separate from any fees arising under any Pharmacy Services Agreement that County might be party to. County shall be solely responsible for payment of any and all fees associated with any of County's Contract Pharmacies. The Base Fee and Implementation Fee are due for each Participating Facility. However, the pricing listed below does include implementation and maintenance fees for up to seven (7)
4. **Invoicing:** Semi-monthly invoices cover the period immediately prior to the invoice date. Unless specified otherwise in the below table, invoices shall be due and payable upon receipt.
5. **Re-Implementation Fee:** In the event Sentry is required at any time after the initial Go Live Date* to re-implement whereby Sentry is required to update or create a new data feed, Sentry will charge, and County shall pay, a re-implementation fee \$10,000.
6. **Contract Pharmacies:** This Exhibit includes implementation fees and maintenance fees for up to seven (7) Contract Pharmacy locations that are included in the Sentrex fees listed in the below price grid. In relation to this number, the Participating Facilities that are listed in the location column of the price grid and Exhibit C do not count against the seven (7) Contract Pharmacy locations. County is entitled to use up to seven (7) Contract Pharmacy locations at any given time and is permitted to substitute each Contract Pharmacy location, no more than once annually; so long as the total number of Contract Pharmacy locations at any given time never exceeds seven (7). In avoidance of doubt, no more than seven (7) Contract Pharmacy location substitutions may occur between the anniversary dates of the Effective Date of the Agreement. County shall provide Sentry with notice of the Contract Pharmacy names and locations which County wishes to include under the Sentrex Services, and approval of Sentry to the listed Contract Pharmacy shall not be unreasonably withheld.

Location	Service	Fee	Basis	Billing Cycle
DSH050113 CH091140 CH09114D CH09114E CH09114F CH09114I CH09114L CH09114N CH09114O CH09114S	Bundled Base Fee for Sentrex	\$297,500	Annual	Effective Date of the Agreement, and Each anniversary date of the Effective Date of the Agreement during the remainder of the term
DSH050113 CH091140 CH09114D CH09114E CH09114F CH09114I CH09114L CH09114N CH09114O CH09114S	Bundled Implementation Fee for Sentrex	\$0 if implemented using Sentry's Standard Implementation Process and Sentry's installers; if not, then the Implementation Fee is \$15,000	One-time	Effective Date of the Agreement
DSH050113 CH091140 CH09114D CH09114E CH09114F CH09114I CH09114L	Pharmacy Maintenance Fee for up to seven (7) Contract Pharmacy locations [^]	\$0	Annual	Effective Date of the Agreement, and Each anniversary date of the Effective Date of the Agreement during the remainder of the term

CH09114N CH09114O CH09114S						
DSH050113 CH09114O CH09114D CH09114E CH09114F CH09114I CH09114L CH09114N CH09114O CH09114S	Pharmacy Implementation Fee for up to seven (7) Contract Pharmacy locations [^]	\$0 if implemented using Sentry's installation services in the form of Sentry-accredited consultants and pre-written extract code; if not, then the Implementation Fee is \$5,000	One-time	Effective Date of the Agreement		
Location	Service	Billing Basis	Billing Cycle	340B Eligible Brand Drug	340B Eligible Generic Drug	340B Ineligible Drug
DSH050113 CH09114O CH09114D CH09114E CH09114F CH09114I CH09114L CH09114N CH09114O CH09114S	Sentrex Transaction Fees	Semi-monthly	1 st & 16 th	\$0.00 per script	\$0.00 per script	\$0.00 per script
Location	Service	Fee	Billing Basis	Billing Cycle		
DSH050113 CH09114O CH09114D CH09114E CH09114F CH09114I CH09114L CH09114N CH09114O CH09114S	Fee after Suspension per Section 4.4 of Attachment No. 1 is Lifted	\$5,000	One-time	Prior to lifting suspension		

*"Go Live Date" for Sentrex means the date the first successful order is transmitted to the Drug Wholesaler via the Sentrex system.

[^]No additional Contract Pharmacy locations may be added to the Agreement without written notice being provided to Sentry by County, and Sentry shall not unreasonably withhold approval of any such additional Contract Pharmacy locations up to the limit of seven (7) Contract Pharmacy locations that are included in the pricing as stated herein.

Exhibit C:

Participating Facilities*

←————— Check and indicate all that apply —————→

Name, Address & OPA ID# of Facility	Sentinel RCM™	Sentrex™	HealthBIT®	Other (specify)
San Mateo Medical Center 222 West 39 th Avenue San Mateo, CA 94403 (DSH050113)	X	X		
San Mateo County Health Center 222 West 39 th Avenue San Mateo, CA 94403 (CH091140)		X		
San Mateo Medical Center Daly City Youth Health Center 2780 Junipero Serra Daly City, CA (CH09114D)		X		
San Mateo Medical Center Fair Oaks Children's Clinic 630 Laurel Street Redwood City, CA (CH09114E)		X		
San Mateo Medical Center North County Health Center 380 90 th Street Daly City, CA (CH09114F)		X		
San Mateo Medical Center Willow Clinic 795 Willow Road Menlo Park, CA (CH09114I)		X		
San Mateo Medical Center Fair Oaks Family Health Center ¹ 2710 Middlefield Road Redwood City, CA (CH09114L)		X		
San Mateo Medical Center Coastside Health Center 225 S Cabrillo Hwy #100A Half Moon Bay, CA (CH09114N)		X		
San Mateo Medical Center South San Francisco Health Center 306 Spruce St. South San Francisco, CA (CH09114O)		X		

¹ NOTE – In Fall 2013, the Fair Oaks Family Health Center name and location will change, but the number will remain the same.

San Mateo Medical Center Sequoia Teen Wellness Center 200 James Avenue Redwood City, CA (CH09114S)		X		
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*In the event a facility listed in this Exhibit C is using Sentry's 340B technology, then such facility must be first listed in the HRSA/OPA Database of 340B Covered Entities.

Exhibit D - Business Associate Agreement

This Exhibit supplements and is made a part of the Underlying Agreement (as defined below). This Business Associate Agreement establishes specific legal obligations regarding the terms of the relationship between Sentry Data Systems, Inc. ("Sentry") and the entity identified on the signature page hereof ("Entity"), as it relates to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and 45 C.F.R. Part 160 through Part 164, the Standards for Privacy of Individually Identifiable Health Information and 45 C.F.R. Part 164, Security Standards for the Protection of Electronic Protected Health Information ("HIPAA Regulations");

WHEREAS, Sentry and the Entity are parties to the Underlying Agreement (as defined below) pursuant to which Sentry provides certain technology services to the Entity and, in connection with the provision of those services, the Entity discloses to Sentry certain Protected Health Information ("PHI") (as defined in 45 C.F.R. §164.501), that is subject to protection under HIPAA and the HIPAA Regulations;

WHEREAS, the Entity is a "Covered Entity" as that term is defined in the HIPAA Regulations;

WHEREAS, Sentry, as a recipient of PHI from the Entity, is a "Business Associate" as that term is defined in the HIPAA Regulations;

WHEREAS, pursuant to the HIPAA Regulations, all Business Associates of Covered Entities must agree in writing to certain mandatory provisions regarding the use and disclosure of PHI; and

WHEREAS, the purpose of this Exhibit is to comply with the requirements of the HIPAA Regulations, including, but not limited to, the Business Associate contract requirements at 45 C.F.R. §164.504(e).

NOW, THEREFORE in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Definitions. Unless otherwise provided in this Exhibit, capitalized terms have the same meanings as set forth in the HIPAA Regulations.
2. Services. The services to be provided by Business Associate are identified in a separate agreement and Exhibits attached thereto and incorporated therein between the parties entitled Agreement between the County of San Mateo and Sentry Data Systems, Inc. ("Underlying Agreement") with the Underlying Agreement's Attachment, to which this Business Associate Agreement serves as Exhibit.
3. Scope of Use and Disclosure by Sentry of Protected Health Information.
 - 3.1. Contractual Obligations. Sentry shall be permitted to use and disclose PHI that is disclosed to it by the Entity as necessary to perform its obligations under the Underlying Agreement.
 - 3.2. Proper Management and Administration. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Exhibit or required by law, Sentry may:
 - 3.2.1. Use the PHI in its possession for its proper management and administration and to fulfill any legal responsibilities of Sentry;
 - 3.2.2. Disclose the PHI in its possession to a third party for the purpose of Sentry's proper management and administration or to fulfill any legal responsibilities of Sentry; provided, however, that the disclosures are required by law or Sentry has received from the third party written assurances that: (i) the information will be held confidentially and used or further disclosed only as required by law or for the purposes for which it was disclosed to the third party; and (ii) the third party will notify Sentry of any instances of which it becomes aware in which the confidentiality of the information has been breached
 - 3.2.3. Provide Data Aggregation Services to the Entity relating to the Health Care Operations of Entity if so requested.

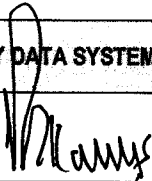
4. Obligations of Sentry. In connection with its use and disclosure of PHI, Sentry agrees to comply with the following standards:
 - 4.1. Limited Disclosure. Use or further disclose PHI only as permitted or required by this Exhibit or as required by law.
 - 4.2. Safeguards. Use reasonable and appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Exhibit;
 - 4.3. Mitigation. To the extent practicable, mitigate any harmful effect that is known to Sentry of a use or disclosure of PHI by Sentry in violation of this Exhibit.
 - 4.4. Report Unauthorized Disclosures. Report to the Entity any use or disclosure of PHI not provided for by this Exhibit of which Sentry becomes aware.
 - 4.5. Agreements With Contractors. Require contractors or agents to whom Sentry provides PHI to agree to the same restrictions and conditions that apply to Sentry pursuant to this Exhibit.
 - 4.6. HHS Access. Make available to the Secretary of Health and Human Services Sentry's internal practices, books and records relating to the use and disclosure of PHI for purposes of determining the Entity's compliance with the HIPAA Regulations, subject to any applicable legal privileges.
 - 4.7. Accounting of Unauthorized Disclosures. Upon notice by Entity that it has received a request for an accounting of disclosures of PHI regarding an individual during the six (6) years prior to the date on which the accounting was requested, but not for information created prior to April 14, 2003, Sentry shall make available to Entity an accounting of any disclosures that is required for Entity to make the accounting required by 45 C.F.R. Section 164.528. Entity shall reimburse Sentry for all time and costs incurred to comply with any such requests made under this section.
 - 4.8. Designated Record Set. To the extent that Entity does not already have in its possession the patient's PHI in a Designated Record Set, Sentry shall provide copies to Entity of all or a portion of the PHI in the Designated Record Set then currently in its possession within a reasonable time after Entity's request in order for Entity to:
 - 4.8.1. make the PHI in the Designated Record Set available in accordance with 45 C.F.R. Part 164.524; and
 - 4.8.2. amend the PHI in the Designated Record Set in accordance with 45 C.F.R. Part 164.526. In the event an individual requests access to, or an amendment of, the PHI in a Designated Record Set, such request shall be the responsibility of Entity. Entity shall reimburse Sentry for all time and costs incurred to comply with any request made under this section.
5. Obligations of the Entity. The Entity agrees that it will comply with the following standards:
 - 5.1. Notice of Privacy Practices. Has included, and will include, in the Entity's Notice of Privacy Practices required by the HIPAA Regulations, that the Entity may disclose PHI for Health Care Operations purposes.
 - 5.2. Patient Permission. Has obtained, and will obtain, from Individuals, Authorizations and other permissions necessary or required by laws applicable to the Entity, for Sentry and the Entity to fulfill their obligations under the Underlying Agreement and this Exhibit.
 - 5.3. Restrictions on PHI. Will promptly notify Sentry in writing of any restrictions on the use and disclosure of PHI about Individuals that the Entity has agreed to that may affect Sentry's ability to perform its obligations under the Underlying Agreement or this Exhibit.
 - 5.4. Notice of Revocation. Will promptly notify Sentry in writing of any changes in, or revocation of, permission by an Individual to use or disclose PHI, if such changes or revocation may affect Sentry's ability to perform its obligations under the Underlying Agreement or this Exhibit.
6. Termination.
 - 6.1. Automatic Termination. This Exhibit will automatically terminate upon the termination or expiration of the Underlying Agreement, except where otherwise agreed.
 - 6.2. Effect of Termination. Upon termination of this Exhibit or the Underlying Agreement, Sentry will return or destroy all PHI received from the Entity or created or received by Sentry on behalf of the Entity that Sentry still maintains and

retain no copies of such PHI; provided that if such return or destruction is not feasible, as determined solely by Sentry, Sentry will continue to protect the PHI pursuant to the terms of this Exhibit and limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.

7. Amendment. Sentry and the Entity agree to amend this Exhibit from time to time as is necessary for the Entity to comply with the requirements of the HIPAA Regulations. The parties may only modify or change the terms of this Agreement by a written document signed by duly authorized representatives of both parties.
8. Survival. The obligations of Sentry under section 6.2 of this Exhibit shall survive any termination of this Exhibit.
9. No Third Party Beneficiaries. Nothing express or implied in this Exhibit is intended to confer, nor shall anything herein confer, upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.
10. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the subject matter hereof and supersedes any previous or contemporaneous proposals, understandings, commitments or representations whatsoever oral or written with respect to the subject matter hereof.
11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of California without regard to California's conflict of law principles.
12. Effective Date. This Exhibit shall be effective as of the Effective Date of the Underlying Agreement.

SENTRY DATA SYSTEMS, INC.	COUNTY SAN MATEO
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By:

Name:
Title:
PAUL KAMPS
CEO

By:

Name:
Title:

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 and with SMMC's policies and procedures relating to SMMC's Corporate Compliance Program, including the requirements set forth in the Corporate Integrity Agreement (CIA) to which SMMC is a party (available online at http://oig.hhs.gov/fraud/cia/agreements/the_county_of_san_mateo_03062009.pdf).

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 or of SMMC's Compliance Program policies and procedures.

The Undersigned has the right to use the SMMC Disclosure Program by calling the Compliance Hotline or reporting incidents 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 health care program requirements and SMMC's Compliance Program policies and procedures, and failing to report such violations, could result in termination of the Agreement and/or any other penalties 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 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 competes with SMMC/County business 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, except to the extent consistent with the SMMC/County Incompatible Activities and Outside Employment policy and the Agreement.

The Undersigned will cooperate fully and honestly with internal audits and monitoring programs to help assure that SMMC's compliance is maintained with all applicable federal/state regulations, the Joint Commission standards, and hospital 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.

[signature page follows]

SENTRY DATA SYSTEMS INC
Name of Person/Entity (the "Undersigned")

PKAMPS PAUL KAMPS, CFO
Signature and Printed Name

4-12-13
Date

Attachment No. 2 - §504 Compliance

Assurance of Compliance with Section 504 of the Rehabilitation Act of 1973, as Amended

The undersigned (hereinafter called the "Contractor(s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor(s) gives/give this assurance in consideration of for the purpose of obtaining contracts after the date of this assurance. The Contractor(s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor(s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)

☐ a. Employs fewer than 15 persons.

☒ b. Employs 15 or more persons and, pursuant to section 84.7 (a) of the regulation (45 C.F.R. 84.7 (a), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

Virginia Garcia
Name of 504 Person - Type or Print

Sentry Data Systems, Inc
Name of Contractor(s) - Type or Print

600 Fairway Drive, Suite 201
Street Address or P.O. Box

Deerfield Beach, FL 33441
City, State, Zip Code

I certify that the above information is complete and correct to the best of my knowledge.

Milang
Signature

CEO
Title of Authorized Official

4-12-13
Date

*Exception: DHHS regulations state that:

"If a recipient with fewer than 15 employees finds that, after consultation with a disabled person seeking its services, there is no method of complying with (the facility accessibility regulations) other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."