

**Professional Services Agreement
Between the County of San Mateo and
Palo Alto Medical Foundation for Healthcare, Research and Education
For General, Thoracic, and Vascular Surgery Services**

THIS PROFESSIONAL SERVICES AGREEMENT is entered into by and between the County of San Mateo, San Mateo Health System ("County") and Palo Alto Medical Foundation for Healthcare, Research and Education, a nonprofit public benefit corporation, on behalf of its Mills Peninsula Division ("PAMF") ("Contractor").

W I T N E S S E I H:

WHEREAS, County operates health care facilities collectively known as "San Mateo Medical Center" (SMMC); and

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of performing professional services described in this Agreement for SMMC; and

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

WHEREAS, Contractor desires to provide such services all upon the terms and conditions stated below, and this Agreement is entered into for the purpose of defining the parties' respective rights and responsibilities.

NOW, THEREFORE, in consideration of the mutual agreements set out below, the parties agree as follows:

Section 1: Contractor's Obligations

1.1 Organizational Status

Contractor represents and warrants that:

The physicians providing services for the patients of the County pursuant to this Agreement shall be duly licensed, certified, accredited or otherwise duly authorized to practice medicine in general, thoracic, and vascular surgery in the State of California. For purposes of this Agreement, references to "PAMF" shall include within their scope all physicians who are providing professional services pursuant to this Agreement.

1.2 Contractor's Representatives

1.2.1 The term "Contractor" shall include PAMF, its representatives,

employees, agents and the surgeons listed on Exhibit D who are providing general, thoracic, and vascular surgery services on behalf of PAMF's Mills-Peninsula Division in San Mateo County under this Agreement ("MPD Surgeons").

- 1.2.2 Where Contractor represents more than one individual, Contractor will designate a "Lead Contractor". This Lead Contractor will be the contact person for the County when dealing with issues affecting both parties, including but not limited to enforcement of this Agreement, in cases where direct discussion with the contractor fails to adequately resolve this issue.

1.3 Qualifications

The following indicate qualifications that must be satisfied by each MPD Surgeon as a condition of providing services under this Agreement:

- 1.3.1 Must be accepted by the Chief Executive Officer of SMMC or his/her designee; said acceptance may be withdrawn immediately at any time with written notice to Contractor at the reasonable discretion of the Chief Executive Officer of SMMC, his/her designee, the County's Chief, Health System, or his/her designee.
- 1.3.2 Shall at all times keep and maintain a valid license to engage in the practice of medicine in the State of California and active Medical Staff membership and/or privileges as may be required under the Bylaws of County for Contractor's representatives to provide the services contemplated by this Agreement.
- 1.3.3 MPD Surgeons representatives shall be certified by the appropriate state-recognized board in California (or eligible for certification by such board by virtue of having successfully completed all educational and residency requirements required to sit for the board examinations).
- 1.3.4 Contractor is not currently excluded, debarred, or otherwise ineligible to participate in federal health care programs or in federal procurement or non-procurement programs; nor has Contractor been convicted of a criminal offense.
- 1.3.5 Contractor agrees to participate in the County's Organized Health Care Arrangement (OHCA), as described by the Health

Insurance Portability and Accountability Act of 1996 (HIPAA). Contractors who choose to opt out of OHCA agree to advise the SMMC Medical Staff Office in writing and will provide their own Notice of Privacy Practice (NPP).

1.4 Services to be Performed by Contractor

In consideration of the payments hereinafter set forth, Contractor, under the general direction of the Chief Executive Officer of SMMC or his/her designee, with respect to the product or results of Contractor's services, shall provide medical services as described in Exhibit A, attached hereto and incorporated by reference herein. Such services shall be provided in a professional and diligent manner.

1.5 Payments

1.5.1 Maximum Amount

In full consideration of Contractor's performance of the services described in Exhibit A, the amount that County shall pay for services rendered under this Agreement shall be as specified in Exhibit B.

1.5.2 Rate of Payment

The rate and terms of payment shall be as specified in Exhibit B, attached hereto and incorporated herein. Any rate increase is subject to the approval of the Chief, Health System or his/her designee and shall not be binding on County unless so approved in writing. Each payment shall be conditioned on the Contractor's performance of the provisions of this Agreement, to the full satisfaction of the Chief, Health System, Chief Executive Officer of SMMC, or either of their designees.

1.5.3 Time Limit for Submitting Invoices

Contractor shall submit an invoice for services to County for payment in accordance with the provisions of Exhibit B. County shall not be obligated to pay Contractor for the services covered by any invoice if Contractor presents the invoice to County more than one hundred eighty (180) days after the date Contractor renders the services, or more than ninety (90) days after this Agreement terminates, whichever is earlier.

1.6 Substitutes

Contractor shall provide, at Contractor's sole cost and expense, a substitute for any MPD Surgeon who is unable to provide services required under this Agreement. As a condition of providing services under this Agreement, any such substitute shall first be approved by the Chief Executive Officer of SMMC or his/her designee and shall otherwise satisfy all qualification requirements applicable to the Contractor and MPD Surgeons, including but not limited to being covered under Contractor's insurance or submitting separate insurance issued by a company under such terms and limitations as County shall reasonably approve.

1.7 General Duties of Contractor

1.7.1 Administrative and Miscellaneous Duties and Responsibilities

Contractor will cooperate with the administration of the Medical Center. Such cooperation shall include but not be limited to the following: maintaining medical records in a timely fashion (including the appropriate use of dictation or other technology, as required by County), billing, peer review, completing time studies as required by California and Federal reimbursement regulations, and County's compliance programs. To the extent applicable, Contractor shall provide appropriate supervision and review of services rendered by physician assistants and other non-physicians involved in the direct medical care of County's patients.

1.7.2 Billing and Compliance

Contractor shall prepare such administrative and business records and reports related to the service in such format and upon such intervals as County shall reasonably require. Contractor agrees to keep accurate and complete records. To the extent that billing is discussed in more detail in Exhibits to this Agreement, Contractor shall comply with those billing-related requirements.

1.7.3 Compliance with Rules and Regulations

Contractor agrees to abide by rules, regulations, and guidelines of County. County may from time to time amend, add, or delete rules, regulations, or guidelines at County's sole discretion, and such amendment will not affect the enforceability or terms of this Agreement. Contractor may

elect to immediately terminate this Agreement if the change in rules and regulations is reasonably determined to be unreasonable or inoperable for Contractor.

1.7.4 Managed Care Contracts

MPD Surgeons are obligated to participate in and observe the provisions, of which they have been informed in writing, of all County managed care contracts. Any services billed under such managed care contracts shall be billed by County under the County's tax identification number.

1.7.5 Requirement of any MPD Surgeon to Notify County of any Detrimental Professional Information or Violation of Contract Rules or Policies

During the term of this Agreement, any MPD Surgeon shall notify County immediately, or as soon as is possible thereafter, in the event that:

- A. MPD Surgeon's license to practice in any jurisdiction is suspended, revoked, or otherwise restricted;
- B. A report pursuant to Section 805 of the California Business and Professions Code concerning such MPD Surgeon's competence or conduct is made to any state medical or professional licensing agency;
- C. MPD Surgeon's privileges at any hospital or health care facility or under any health care plan are denied, suspended, restricted, or terminated for medical disciplinary cause or reason;
- D. MPD Surgeon's controlled substance registration certificate (issued by the Drug Enforcement Administration), if any, is being or has been suspended, revoked, or not renewed;
- E. MPD Surgeon's participation as a Medicare or Medi-Cal provider is under investigation or has been terminated;
- F. There is a material change in any of the information the MPD Surgeon has provided to County concerning his/her professional qualification or credentials; or
- G. MPD Surgeon is convicted of a crime.

- H. Any breach of this Agreement by Contractor or an MPD Surgeon shall be reported to County by Contractor within thirty (30) days of receipt of such information.

1.7.6 Compliance with Contractor Employee Jury Service Ordinance

Contractor shall comply with the County Ordinance with respect to provision of jury duty pay to employees and have and adhere to a written policy that provides that its employees shall receive from the Contractor, on an annual basis, no fewer than five (5) days of regular pay for actual jury service in San Mateo County. The policy may provide that employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the employees' regular pay the fees received for jury service.

1.8 Citizenship Duties of Contractor

- A. MPD Surgeons will make all reasonable efforts to participate in co-ordination and optimization of services, including but not limited to participation in quality improvement and utilization management efforts.
- B. MPD Surgeons will make all reasonable efforts to communicate effectively and coordinate care and services with primary care providers, including but not limited to direct contact with individual providers where clinically indicated.
- C. MPD Surgeons will conduct themselves with professionalism at all times, which includes but is not limited to courteous and respectful conduct toward, and reasonable cooperation with, all County employees.
- D. To the extent that citizenship duties are discussed in more detail in Exhibits to this Agreement, Contractor shall comply with those additional duties and requirements.

1.9 Provision of Records for County

Contractor shall furnish any and all information, records, and other documents related to Contractor's and MPD Surgeons' services hereunder which County may reasonably request in furtherance of its quality assurance, utilization review, risk management, and any other plans and/or programs adopted by County to assess and improve the quality and efficiency of County's services. As reasonably requested,

Contractor shall participate in one or more of such plans and/or programs.

1.10 Cooperation with County in Maintaining Licenses

MPD Surgeons shall assist County in obtaining, achieving, and/or maintaining any and all licenses, permits, other authorization, and/or accreditation standards which are dependent upon, or applicable to, in whole or in part, MPD Surgeons' services under this Agreement.

1.11 Contractor's Conflict of Interest

In the event Contractor or an MPD Surgeon pursues conduct which does, in fact, constitute a conflict of interest or which materially interferes with (or is reasonably anticipated to interfere with) Contractor's performance under this Agreement, County may exercise its rights and privileges under Section 3 below.

1.12 Non-Permitted Uses of County Premises

Contractor agrees not to use, or permit any of Contractor's representatives to use, any County facility or service for any purpose other than the performance of services under this Agreement. Without limiting the generality of the foregoing, Contractor agrees that no part of the premises of County shall be used at any time as an office for private practice or delivery of care for non-County patients.

1.13 No Power to Contract in the Name of the Other Party

Contractor shall not have the right or authority to enter into any contract in the name of County or otherwise bind County in any way without the express written consent of County. Likewise, neither the County nor anyone acting on behalf of the County under this Agreement shall have the right or authority to enter into any contract in the name of Contractor, or MPD Surgeons, or to otherwise bind PAMF or MPD Surgeons in any way without the express consent of Contractor.

1.14 Regulatory Standards

Contractor shall perform all services under this Agreement in accordance with any and all regulatory and accreditation standards applicable to County and the relevant medical service, including, without limitation, those requirements imposed by the Joint Commission, the Medicare/Med-Cal conditions of participation, and any amendments thereto.

1.15 Availability of Records for Inspection

As and to the extent required by law, upon written request of the Secretary of Health and Human Services, the Comptroller General, or any of their duly authorized representatives, Contractor shall make available those contracts, books, documents, and records necessary to verify the nature and extent of the costs of providing services under this Agreement. Such inspection shall be available for up to four (4) years after the rendering of such services. If Contractor carries out any of the duties of this Agreement through a subcontract with a value of \$10,000 or more over a twelve (12) month period with a related individual or organization, Contractor agrees to include this requirement in any such subcontract. This section is included pursuant to and is governed by the requirements of 42 U.S.C. Section 1395x(v)(1) and the regulations thereto. No attorney-client, accountant-client, or other legal privilege will be deemed to have been waived by County, Contractor, or any Contractor's representative by virtue of this Agreement.

1.16 Professional Standards

MPD Surgeons shall perform their duties under this Agreement in accordance with the rules of ethics of the medical profession. MPD Surgeons shall also perform their duties under this Agreement in accordance with the appropriate standard of care for their medical profession and specialty.

Section 2: Change of Circumstances

In the event either (i) Medicare, Medi-Cal, or any third party payor or any federal, state, or local legislative or regulative authority adopts any law, rule, regulation, policy, procedure, or interpretation thereof which establishes a material change in the method or amount of reimbursement or payment for services under this Agreement; or (ii) any or all such payors/authorities impose requirements which require a material change in the manner of either party's operations under this Agreement and/or the costs related thereto; then, upon the request of either party materially affected by any such change in circumstances, the parties shall enter into good faith negotiations for the purpose of establishing such amendments or modifications as may be appropriate in order to accommodate the new requirements and change of circumstance while preserving the original intent of this Agreement to the greatest extent possible. If, after thirty (30) days of such negotiations, the parties are unable to reach an agreement as to how or whether this Agreement shall continue, then either party may

terminate this Agreement upon thirty (30) days prior written notice.

Section 3: Term and Termination

3.1 Term

This Agreement shall commence on July 1, 2013, and shall continue for two (2) years. Unless terminated sooner, this Agreement shall expire and be of no further force and effect as of the end of business on June 30, 2015.

3.2 Extension of Term

The term of the Agreement may be extended by mutual written, signed agreement by both parties.

3.3 Termination

3.3.1 Without Cause Termination

This agreement may be terminated by either party at any time upon ninety (90) days written notice to the other party.

The County may immediately terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon (1) unavailability of Federal, State, or County funds or (2) closure of the County, SMMC, or the department of SMMC at which Contractor is to provide services, by providing written notice to Contractor as soon as is reasonably possible after the County learns of said unavailability of outside funding or closure.

3.3.2 Automatic Termination

This Agreement shall be immediately terminated as follows:

- A. Upon either party's suspension or exclusion from the Medicare or Medi-Cal Program;
- B. If any MPD Surgeon violates the State Medical Practice Act;
- C. If any MPD Surgeon's professional practice imminently jeopardizes the safety of patients;
- D. If any MPD Surgeon is convicted of a crime;

- E. If any MPD Surgeon violates ethical and professional codes of conduct of the workplace as specified under state and federal law;
- F. Upon revocation, cancellation, suspension, or limitation of any MPD Surgeon's medical staff privileges at the County;
- G. If a "Legal Event" occurs, which means a statute, law, rule, order, regulations, standard, arbitration award, judgment, decision or official interpretation, by any governmental agency, court, tribunal or duly constituted arbitration panel, that in the good faith judgment of one party ("Noticing Party"), materially and adversely jeopardizes any Party's tax-exempt status, licensure, accreditation, certification, ability to get or maintain tax-exempt financing, to refer, to accept any referral, to bill, to claim, to present a bill or claim, or to receive payment or reimbursement from any federal, state or local governmental or non-governmental payor, or that jeopardizes a Party's compliance with any law, rule or regulation with which the Noticing Party desires further compliance.
- H. If Contractor fails to maintain professional liability insurance required by this Agreement;
- I. Upon County's loss of certification as a Medicare and/or Medi-Cal provider; or
- J. Upon the closure of SMMC.

3.3.3 Termination for Breach of Material Terms

Either party may terminate this Agreement at any time in the event the other party engages in an act or omission constituting a material breach of any term or condition of this Agreement. The party electing to terminate this Agreement shall provide the breaching party with no fewer than thirty (30) days advance written notice specifying the nature of the breach. The breaching party shall then have thirty (30) days from the date of the notice (or such longer period as is specified in the notice) in which to remedy the breach and conform its conduct to this Agreement. If such corrective action is not taken within the time specified, this Agreement

shall terminate at the end of the notice and cure period (typically sixty (60) days) measured from the date of initial notice without further notice or demand. Upon breach of the terms of this Agreement by an individual contractor's representative, County shall have the option of withdrawing its acceptance of that individual contractor's representative, as described in Section 1.3.1, without terminating this Agreement. Upon withdrawal of acceptance, Contractor must replace said contractor representative as specified in Section 1.6 of this Agreement. Withdrawal of acceptance of an individual contractor's representative will not, of itself, constitute grounds for termination of this Agreement by either party.

3.3.4 Patient Records Upon Termination and Notice to Patients

All original patient records created with respect to services provided at SMMC shall be property of the County. Upon termination of this Agreement, Contractor shall return any such records as may be in Contractor's possession to County, subject to Contractor's right to copies of records.

Section 4: Insurance and Indemnification

4.1 Insurance

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

4.1.1 Violation of This Section or Decrease/Cancellation of Coverage

In the event of either (1) violation of any provision of Section 4 of this Agreement or (2) receipt of notice by the County that any insurance coverage required under Section 4 will be diminished or cancelled, County at its option may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work pursuant to this Agreement.

4.1.2 Workers' Compensation and Employer Liability Insurance

Contractor shall have in effect during the entire life of this Agreement workers' compensation and employer liability insurance providing full statutory coverage. In signing this Agreement, Contractor makes the following certification, required by Section 1861 of the California Labor Code:

I am 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 Code, and I will comply with such provisions before commencing the performance of the work of this Agreement.

4.1.3 Liability Insurance

Contractor shall take out and maintain on its own behalf, and shall ensure MPD Surgeons maintain on their own behalf, during the life of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and MPD Surgeons, respectively, while performing work covered by this Agreement, from any and all claims for property damage which may arise from their respective operations or actions under this Agreement. Such Insurance shall be combined single limit bodily injury and property damage coverage for each occurrence and shall not be less than the amount specified below.

Such Insurance shall include:

- | | |
|---|-----------------------------|
| A. Comprehensive general liability insurance... | \$1,000,000 |
| B. Motor vehicle liability insurance..... | \$-0- |
| C. Professional liability insurance..... | \$1,000,000/
\$3,000,000 |

4.1.4 County Adjustment of Insurance Coverage

If this Agreement remains in effect more than one (1) year from the date of its original execution, County may, at its sole discretion, require an increase in the amount of liability insurance to the level then customary in similar County agreements by giving (60) days notice to Contractor. Contractor must obtain such increased amount of coverage by

the end of that notice period, or shall have the right to immediately terminate this Agreement.

4.1.5 County as Certificate Holder

County and its officers, agents, employees, and servants shall be named as Certificate Holder on any such policies of general liability insurance. Such policies shall also contain a provision that the insurance afforded thereby to County and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy, and that if 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. Said certificate(s) of insurance is (are) attached hereto.

4.2 Tail Coverage

If Contractor obtains one or more claims-made insurance policies to fulfill its obligations, Contractor will: (i) maintain coverage with the same company during the term of this Agreement and for at least three (3) years following termination of this Agreement; or (ii) purchase or provide coverage that assures protection against claims based on acts or omissions that occur during the period of this Agreement which are asserted after the claims-made insurance policy expired.

4.3 Hold Harmless

Contractor agrees to remain responsible for all claims, suits, losses, costs or actions of every name, kind, and description ("Losses") brought for or on account of Contractor's (i) negligence, willful misconduct or professional malpractice; or (ii) damage to any property of any kind whatsoever and to whomsoever belonging; (iii) any failure to withhold and/or pay to the government income and/or employment taxes from earnings under this agreement; (iv) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply with the requirements set forth in the Health Insurance Portability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or (v) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County and/or its officers, agents, employees, or servants resulting from the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damages for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

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

Contractor shall indemnify, defend, and hold County harmless from and against any and all claims for wages, salaries, benefits, taxes, and all other withholdings and charges payable to, or in respect to, Contractor's representatives for services provided under this Agreement.

Section 5: Miscellaneous Provisions

5.1 Notice Requirements

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, certified or registered mail, return receipt requested -or- deposited for overnight delivery with an established overnight courier that provides a tracking number showing confirmation of receipt, for transmittal, charges prepaid, addressed to the address below. 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.

If to County: 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

If to Contractor: Palo Alto Medical Foundation
Mills-Peninsula Division
577 Airport Blvd., Ste 300
Burlingame, CA 94010
Attention: Mills-Peninsula Division President
Facsimile: 650-348-9060

With Copy to: Karen Hall
Sutter Health

Vice President/Regional Counsel
633 Folsom St., 7th Floor
San Francisco, CA 94107
Facsimile: 415-600-6749

5.2 Merger Clause, Amendment, and Counterparts

This Agreement, including the Exhibits and Attachments 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, whether written or otherwise, are not binding. All subsequent modifications shall be in writing and signed by the parties.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5.3 Partial Invalidity

In the event any provision of this Agreement is found to be legally invalid or unenforceable for any reason, the remaining provisions of the Agreement shall remain in full force and effect provided that the fundamental rights and obligations remain reasonably unaffected.

5.4 Assignment

Neither party may assign any of its rights or obligations hereunder without the prior written consent of the other party. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

5.5 Independent Contractor

Contractor and all Contractor's representatives are performing services and duties under this Agreement as Independent contractors and not as employees, agents, or partners or joint ventures with County. County does retain responsibility for the performance of Contractor and Contractor's representatives as and to the extent

required by law and the accreditation standards applicable to County. Such responsibility, however, is limited to establishing the goals and objectives for the service and requiring services to be rendered in a competent, efficient, and satisfactory manner in accordance with applicable standards and legal requirements. Contractor shall be responsible for determining the manner in which services are provided and ensuring that services are rendered in a manner consistent with the goals and objectives referenced in this Agreement.

5.6 Anti-Referral Laws

Nothing in this Agreement or any other written or oral agreement, or any consideration in connection with this Agreement, contemplates or requires or is intended to induce or influence the admission or referral of any patient to or the generation of any business between County, SMMC, PAMF, MPD Surgeons or any other physician. This Agreement is not intended to influence PAMF's or any physician's judgment in choosing the medical facility appropriate for the proper care and treatment of their patients, or restrict any physician from establishing medical staff membership or clinical privileges at any other healthcare facility.

5.7 Alternate Dispute Resolution and Venue

The parties firmly desire to resolve all disputes arising hereunder without resort to litigation in order to protect their respective reputations and the confidential nature of certain aspects of their relationship. Accordingly, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be mediated. If mediation is unsuccessful, the parties may take the dispute to Superior Court in San Mateo County.

5.8 Third Party Beneficiaries

This Agreement is entered into for the sole benefit of County and Contractor. Nothing contained herein or in the parties' course of dealings shall be construed as conferring any third party beneficiary status on any person or entity not a party to this Agreement, including, without limitation, any Contractor's representative.

5.9 Governing Law

This Agreement shall be governed by the laws of the State of California.

5.10 Non-Discrimination

Section 504. 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 in the performance of this Agreement.

Contractor shall assure compliance with Section 504 of the Rehabilitation Act of 1973 by submitting as part of this Agreement a signed letter of assurance of compliance (Attachment I to this Agreement). Contractor shall be prepared to submit a self-evaluation and compliance plan to County upon request within one (1) year of the execution of this Agreement.

General Non-Discrimination. Contractor agrees that no person shall, on the grounds of race, color, religion, ancestry, gender, age, national origin, medical condition, 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.

Contractor shall comply with the County admission and treatment policies, which provide that patients are accepted for care without discrimination on the basis of race, color, religion, sex, sexual orientation, national origin, age, handicap, or political affiliation.

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

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

- A. Termination of this Agreement;
- B. Disqualification of Contractor from bidding or being awarded a County contract for a period of up to three (3) years;
- C. Liquidated damages of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) per violation; and/or

- D. Imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of these paragraphs, the County Manager shall have the authority to:

- A. Examine Contractor's employment records with respect to compliance with this paragraph; and
- B. Offset all or any portion of the amount described in this paragraph against amounts due to Contractor under this Agreement or any other agreement between Contractor and County.

Within thirty (30) days, Contractor shall report to the County Manager 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, provided that within such thirty (30) days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notifications shall include the name of the complainant, a copy of such complaint, and description of the circumstance. Contractor shall provide County with a copy of its response to the complaint when filed/submitted.

Compliance with Equal Benefits Ordinance. With respect to the provisions of employee benefits, Contractor shall comply with the County Ordinance prohibiting contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.

Compliance with Federal Regulations. Contractor 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.

5.11 General Standards

Contractor shall maintain its operations in compliance with all applicable laws and rules relating to licensure and certification, including but not limited to: Title XXII of the California Administrative Code; those necessary to participate in the Medicare and Medi-Cal programs under Title VIII and Title XIX, respectively, of the Social Security Act; and those required by the Joint Commission. Contractor shall provide satisfactory evidence of such licenses and certificates.

Contractor shall inform County of any notice of any incident within its operations which may affect any license or certification held by Contractor.

5.12 Confidentiality of Patient Information and Compliance With Laws

Contractor shall keep in strictest confidence and in compliance with all applicable state and federal laws any patient information. Contractor shall not disclose such information except as permitted by law.

All services to be performed by Contractor pursuant to this Agreement shall be performed (1) 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, 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 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.

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

5.13 Non-Disclosure of Names

Notwithstanding any other provision of this Agreement, names of patients receiving public social services hereunder are confidential and are to be protected from unauthorized disclosure in accordance with Title 42, Code of Federal Regulations, Section 431.300 *et seq.* and Section 14100.2 of the California Welfare and Institutions Code and regulations adopted thereunder.

For the purpose of this Agreement, all information, records, data, and data elements collected and maintained for the operation of the Agreement and pertaining to patients shall be protected by Contractor from unauthorized disclosure, except as permitted by law.

With respect to any identifiable information concerning a Medi-Cal patient that is obtained by Contractor, Contractor: (i) will not use any such information for any purpose other than carrying out the express terms of this Agreement; (ii) will promptly submit to California Department of Public Health (CDPH) and the applicable Medi-Cal plan all requests for disclosure of such information; (iii) will not disclose, except as otherwise specifically permitted by this Agreement, any such information to any party other than CDPH and the applicable Medi-Cal plan without prior written authorization specifying that the information is releasable under Title 42, CFR, Section 431.300 *et seq.*, under Section 14100.2 of the Welfare and Institutions Code and regulations adopted thereunder, or as ordered by a court or tribunal of competent jurisdiction; and (iv) will, at the expiration or termination of this Agreement, return all such information to CDPH and the applicable Medi-Cal Plan or maintain such information according to written procedures sent to health plan by CDPH and the applicable Medi-Cal plan for this purpose.

5.14 Disclosure of Records

Contractor agrees to provide upon reasonable notice to County, to any federal or state department having monitoring or reviewing authority, to County's authorized representatives, and/or to their appropriate audit agencies access to and the right to examine and audit all records and documents necessary to determine compliance with this Agreement, to determine compliance with relevant federal, state, and local statutes, ordinance, rules, and regulations, and to evaluate the quality, appropriateness, and timeliness of services performed under this Agreement. Contractor shall comply with all provisions of the Omnibus Budget Reconciliation Act of 1980 regarding access to books, documents, and records.

5.15 Exhibits and Attachments

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

Exhibit A—Services

Exhibit B—Payments

Exhibit C—Performance Metrics

Exhibit D – List of MPD Surgeons

Exhibit E—Corporate Compliance SMMC Code of Conduct (Third Parties)

Attachment I – 504 Compliance

5.16 County's Provisions of Productivity and Practice Information

County shall make available to Contractor accurate and complete monthly reports of each MPD Surgeon's productivity, by procedure code and RVU, for services provided pursuant to this Agreement.

[Signatures on the following page]

IN WITNESS WHEREOF, County and Contractor have duly executed this Agreement as of the dates set out beneath their respective signatures.

CONTRACTOR: PALO ALTO MEDICAL FOUNDATION FOR
HEALTHCARE, RESEARCH AND EDUCATION (on
behalf of its Mills-Peninsula Division

By: Brian C. Roach
Brian C. Roach, MD

Title: Mills-Peninsula Division President

Date: 9-4-2013

COUNTY:

(signature)

By: _____
President, Board of Supervisors
San Mateo County

Date: _____

Attest:

By: _____
Clerk of Said Board

EXHIBIT A

SERVICES

In consideration of the payments specified in Exhibit B, Contractor shall ensure that MPD Surgeons shall perform the services described below under the general direction of the Chief Medical Officer and the SMMC Chief of Surgery.

- I. Provide professional general, thoracic, and vascular surgery services in the Division of SMMC, Department of Surgery, including inpatient, outpatient, and emergency care, as further described below in this Exhibit A.
- II. Participate in such scheduled coverage of service as is mutually arranged and agreed upon by members of the Department of Surgery under the supervision of the Chief of Surgery.

Develop schedule for "on-call" and/or "emergency-call" status during other than scheduled times and for twenty-four (24) hours each Saturday, Sunday, or holiday. "On-call" and "emergency-call" are defined as being available by telephone or pager to the hospital medical staff, nursing supervisor, and administrator on call as needed. In addition, MPD Surgeons must adhere to the guidelines of the San Mateo County Trauma System by being immediately available by telephone and must make every reasonable effort to be present at the hospital at the time of the patient's arrival.

It is expressly understood that MPD Surgeons and any other of Contractor's subcontractors for medical specialty services are subject to these conditions, that all will accept equal scheduling for "on-call" status, and that each will be responsible for his/her portion of "on-call" time. All physicians who take calls for medical specialty services must have San Mateo Medical Center (SMMC) privileges.

- III. MPD Surgeons shall participate in such teaching and/or training programs as are, or may be, established by the medical staff at SMMC. Each individual's participation in continuing education is documented and considered at the time of reappointment to the medical staff and/or renewal or revision of individual clinical privileges.
- IV. MPD Surgeons shall fulfill those requirements for active staff membership set forth in Articles 3 and 4.2 of the SMMC Medical Staff Bylaws, Rules and Regulations and maintain such active staff status as a condition of the Agreement. If MPD Surgeons have not already completed such training within two years prior to the effective date of this Agreement, MPD Surgeons shall complete the SMMC's General Compliance Training within 30 days of execution of this Agreement.
- V. MPD Surgeons shall attend regularly and serve without additional compensation on committees responsible for peer review activities, quality assurance, and utilization review as outlined in the SMMC Medical Staff Bylaws, Rules and Regulations.

- VI. MPD Surgeons shall provide medical staff administrative support to hospital and nursing in meeting surgical and anesthesia standards as defined by the Joint Commission, Title XXII, and other applicable standards.
- VII. General Surgery Responsibilities and Expectations
- A. Provision of professional general surgery services including inpatient, outpatient, and emergency care. The area of coverage for Contractor within the field of general surgery shall include surgical services to address diseases of the gastrointestinal tract, liver, pancreas, intra-abdominal organs, breast, endocrine glands, and skin and soft tissues, including thoracic surgery.
 - B. For the entire term of the Agreement, provision of a minimum of three (3) clinics per week, each of which shall be of at least four (4) hours in length, each of general surgery outpatient clinic sessions conducted at the SMMC outpatient clinics, as identified by the SMMC Chief Medical Officer, Chief of Surgery, or designee.
 - C. For the entire term of the Agreement, provision of a minimum of four (4) hours of general surgery, four (4) days per week, on days of the week mutually determined in consultation with the Chief of Surgery. MPD Surgeons shall provide such services for three (3) weeks out of every four (4) week period and Contractor and the County acknowledge that the County intends to enter into an agreement with Dr. David Jegge pursuant to which he will provide such general surgery services every fourth week.
 - D. Provision of Emergency Department and Inpatient consultation 24 hours per day/7 days per week/365 days per year (except that Contractor shall not provide such services every fourth night and every fourth weekend, as coordinated with the SMMC Chief of Surgery, for as long as the County contracts with Dr. Jegge for such call service), including performance of surgical procedures as determined necessary by the Division of General Surgery.
 - E. Provision of Inpatient postoperative care as dictated by standard surgical practice and in compliance with SMMC medical staff requirements for the general practice of medicine.
 - F. In order to provide comprehensive general surgery services for the period July 1, 2013 through June 30, 2015, County intends to contract directly with Dr. David Jegge for the following services:
 - 1. One half-day surgery clinic block per week (on Wednesday, unless a different day is otherwise agreed in advance by Dr. Jegge and the SMMC Chief of the Department of Surgery) of at least four (4) hours in length,

with a target of 20 patients seen in each half-day clinic.

2. One half-day surgery block of approximately four (4) hours in length, during the fourth week each month with the specific date to be mutually agreed by the Contractor and the Chief of the Department of Surgery.
 3. Provision of Emergency Department and inpatient consultations, every fourth night and every fourth weekend, including performance of surgical procedures as determined necessary by the Chief of Surgery.
 4. Provision of inpatient postoperative care as dictated by standard surgical practice and in compliance with SMMC medical staff requirements for the general practice of medicine.
- G. If the County is unable to conclude a contract with Dr. Jegge or the contract with him expires or terminates for any reason, the County shall have the right to require Contractor to provide the services set forth in Paragraph F, above, and if County requires Contractor to provide these services, County will increase the monthly compensation payable to contractor under this Agreement as described in Exhibit B of this Agreement by \$23,400 per month.

VIII. Vascular Surgery Responsibilities and Expectations

- A. For the entire term of this Agreement, provision of one session per week of vascular surgery outpatient clinic, which shall be at least four (4) hours in duration at SMMC outpatient clinics, as designated by the SMMC Chief Medical Officer or Chief of Surgery.
- B. For the entire term of this Agreement, provision of a surgery block of at least five (5) hours in length of vascular surgical procedures on a day of the week mutually determined in consultation with the Chief of Surgery.
- C. All procedures that can safely and reasonably be performed at SMMC shall be.
- D. Off-site care: All vascular care for SMMC patients provided at off-site locations (other hospitals) is included under this Agreement, except as provided in Exhibit B, Section V.
- E. Provision of inpatient postoperative care as dictated by standard surgical practice and in compliance with SMMC medical staff requirements for the general practice of medicine.
- F. Participate in such scheduled coverage of service as is mutually arranged and agreed upon by members of the Department of Surgery under the supervision of the Chief of Surgery.

EXHIBIT B

PAYMENTS

In consideration of the services specified in Exhibit A, County will pay Contractor the following:

- I. Subject to achievement of the Performance Metrics as described in Exhibit C, Contractor shall be paid at fixed rate of ONE MILLION, ONE HUNDRED SIXTY-TWO THOUSAND, FIVE HUNDRED FORTY FOUR DOLLARS (\$1,162,544) per year, to be paid in monthly installments of NINETY SIX THOUSAND EIGHT HUNDRED SEVENTY EIGHT DOLLARS AND SIXTY SEVEN CENTS (\$96,878.67) (one-twelfth of the annual rate) for each month worked.
- II. A. Contractor compensation for general surgery, thoracic, and vascular services from the County will be based on the service hours of clinic and surgical time set forth in Sections VII and VIII of Exhibit A. If the contract terms of service are amended such that the current numbers of clinic sessions and surgical time in Exhibit A are changed, the compensation shall be adjusted in proportion to the change in service hours.

B. Additionally, the compensation in this Agreement has been based upon an assumed level of productivity. If the annualized average monthly Medicare Resource-Based Relative Value Scale Relative Value Work Units ("wRVUs") for the SMMC general surgery, thoracic and vascular services department as a whole exceed 18,432 wRVUs, or fall below 13,623 wRVUs, over a six-month period, Contractor and the Chief Medical Officer or his/her designee will meet and confer regarding the productivity standard, and compensation will be modified as appropriate and mutually agreed. Both parties shall have the right to review and audit the other party's data supporting the calculation of productivity. This Section II.B. shall not be effective unless and until County shall make available to Contractor accurate and complete monthly reports of each MPD Surgeon's productivity pursuant to Section 5.15. *NOTE: Each six (6) month period is defined as July 1 – December 31 and January 1 – June 30 for each period from July 1, 2013 through June 30, 2015.
- III. If the contract terms of service are amended such that the current numbers of clinic sessions in Exhibit A are changed, the projected volume of RVU work units and corresponding compensation shall be adjusted in proportion to the change in estimated RVU work units, based upon an RVU rate per unit of \$58.70 (an average of general surgery, \$59.45 and vascular surgery, \$57.94 based upon 2012 Medical Group Management Association (MGMA) Physician Compensation and Productivity Survey, Western United States Median Values).

- IV. Failure of Contractor to perform the listed services in any given month constitutes a material breach of this Agreement, and in such circumstances the County, at its option, may withhold payment for any portion of services not rendered, terminate the Agreement pursuant to the termination provisions above, work with the Contractor to reach a schedule for returning the Contractor to performance under this Agreement, revise this Agreement pursuant to the terms of this Agreement, pursue any remedy available at law, or any combination of these options. The Contractor is not entitled to payment for non-performance of services listed by this Agreement.
- V. For patients treated at Mills-Peninsula Hospitals, Contractor shall bill all payers, including Medicare, Medi-Cal, Health Plan of San Mateo, commercial insurance, or "self-pay" patients. Contractor shall claim against third party payer for payment, and County shall bear no financial responsibility for such patients.
- VI. Contractor shall be paid monthly in equal installments of the annual compensation set forth below. These payments will be subject to the performance metrics that are set forth in Exhibit C to this Agreement and Contractor's compensation may be reduced due to a failure to meet the performance metrics in a prior quarter, as described below and in more detail in Section II of Exhibit C.

In order to ensure that Contractor meets SMMC quality and performance standards set forth in Exhibit C, Contractor will be at risk for a penalty of ten percent (10%) of the annual fee which excludes the admin stipend and the call coverage amount, which is equal to SEVEN THOUSAND EIGHT HUNDRED FORTY DOLLARS (\$7,840) per month or \$23,521 per quarter. A maximum of TWENTY THREE THOUSAND FIVE HUNDRED TWENTY-ONE ONE DOLLARS (\$23,521) will be refunded by Contractor to County on a quarterly basis if the metrics are not met. If Contractor's compensation for clinical services is reduced for any reason (such as a reduction in the total amount of services), the penalty amount shall also be proportionately reduced.

VII. Contractor's annual compensation has been based on the following:

- A. Scheduled clinics and surgical time described in Exhibit A, Sections VII and VIII \$940,844
- B. Call Coverage
 - 1. General Surgery: \$300/night x 274 \$ 82,200
 - 2. Vascular Surgery: \$300/night x 365 \$109,500
- C. Medical Director and scheduling clinic, surgery and call coverage: \$2,500/month \$30,000

D. TOTAL:

\$1,162,544

VIII. Unless increased pursuant to Exhibit A, Section VII, G, total maximum payment for services performed under this Agreement will not exceed NINETY SIX THOUSAND EIGHT HUNDRED SEVENTY EIGHT DOLLARS AND SIXTY SEVEN CENTS (\$96,878.67) per month. Over the two year term of this Agreement, the maximum amount payable will not exceed TWO MILLION THREE HUNDRED TWENTY FIVE THOUSAND, EIGHTY EIGHT DOLLARS (\$2,325,088).

IX. The term of this Agreement is July 1, 2013 through June 30, 2015, as stated in Section 3.1 of the Agreement.

X. Payments shall be directed to:

Palo Alto Medical Foundation
Mills-Peninsula Division
577 Airport Boulevard, Suite 300
Burlingame, CA 94010
Attention: Kristina Quan, Finance

EXHIBIT C

PERFORMANCE METRICS

- I. Both County and Contractor acknowledge the need for a "pay for performance" reimbursement model based on mutually acceptable units of measurement. Amounts at risk will be charged quarterly to Contractor on the basis of the following metrics.
 - A. Ninety five percent (95%) compliance with the following provider level SCIP measures:
 - Preventative antibiotics are stopped within 24 hours after surgery
 - Appropriate preventative antibiotics are used for surgery
 - Urinary catheters are removed within 2 days after surgery.
 - B. Surgical site infection rates for General Surgery and Vascular Surgery less than the higher of (i) 2.5% or (ii) the surgery department average (excluding MPD Surgeons), in Year 1; and less than the higher of (i) 2.25% or (ii) the surgery department average (excluding MPD Surgeons), in Year 2.
 - C. Eighty percent (80%) or greater on time arrival for operating room. Non-compliance is defined as not being able to start a procedure in the OR within 15 minutes of the scheduled start time due to the late arrival of the surgeon.
 - D. Eighty percent (80%) or greater on time arrival for clinic. Non-compliance is defined as being more than .25 hour (15 minutes) late for clinic due to the late arrival of the surgeon.
 - E. Meet the SMMC Medical Executive Committee (MEC)/Medi-Cal access requirements for specialty evaluation, within thirty (30) days, in the lower of eighty-five percent (85%) of cases; or (ii) the surgical specialty clinic average, whichever is lower) of the cases referred from primary care.

Compliance is measured by meeting or exceeding each of the metrics listed in this Exhibit C, Section I.
- II. Both the County and Contractor acknowledge Contractor cannot achieve the metrics detailed in Section I of this Exhibit C, without assistance and cooperation from the County and, at times, there are conditions the Contractor cannot control. Therefore, the County must meet the following operational conditions, and failure to do so will have the consequences described below in Exhibit C, Section III.
 - A. Ninety five percent (95%) of the patients seen in specialty clinic by MPD Surgeons have been seen by a primary care physician or should be scheduled for a primary care appointment within two (2) weeks after the MPD specialty care clinic visit. Patients referred from the community or are not Access and

Care for Everyone Program (ACE) or ACE eligible patients are not part of this calculation.

- B. Eighty percent (80%) or greater on time start for operating room. Non-compliance is defined as not being able to start a procedure in the OR within 15 minutes of the scheduled start time due to late arrival of the anesthesiologist, delays in nursing or other facility related issue.
- C.. County will provide a full time nurse practitioner to the General and vascular surgery department. Such nurse practitioner will be available to the General and vascular surgery department at least 90% of the scheduled time from Monday through Friday in order for department to provide a comprehensive set of services.
- D.. County surgery scheduler will provide MPD Surgery lead physician with a weekly spreadsheet of pending cases. Scheduler will track canceled cases and provide documentation on a weekly basis of the reason cases were canceled to identify areas in need of improvement. This report will be available within seven (7) days of the week under review.
- E. Surgical nurses will address wound classification during closing surgical pause in at least 90% of cases. Report will be available monthly and will be generated within two weeks of the close of the month in review.

- III. In the event that the County fails to meet any of the conditions listed in Subsections II.A through II.E of this Exhibit C during any quarterly period during the term of this Agreement, Contractor shall be entitled to a credit of \$4,704.20 for that quarter for each condition that the County failed to achieve during that quarter, which may be offset against any payments to which the County would otherwise be entitled due to the Contractor's failure to meet performance metrics during the same quarter. Thus, whether the Contractor is required to make payments to the County for failure to meet performance metrics is affected by whether Contractor actually meets or failed to meet the metrics described in Section I of this Exhibit C to the Agreement, as well as whether County meets the conditions set forth in Section II of this Exhibit C to the Agreement. By way of example, the calculation of the amount not charged to Contractor each quarter would follow this logic:

If Contractor fails to achieve 2 out of 5 metrics during a given quarter, Contractor shall be subject to a penalty equal to two fifths ($2/5^{\text{th}}$) of the \$23,521 total that is at risk for failure to meet all five of the metrics set forth in this Exhibit C (i.e., \$9,408.40). Contractor would, however, be entitled to retain the three fifths ($3/5^{\text{th}}$) of the \$23,521 that corresponds to the three performance metrics achieved during that quarter (i.e. \$14,112.60). If, however, in the same quarter the County fails to achieve one of its five operational conditions, Contractor shall be entitled to receive an additional

amount equal to one-fifth (20%) of the \$23,521 performance incentive amount at risk during the quarter (i.e., \$4,704.20). Therefore, in this example, where Contractor has failed to achieve two of the five performance operational conditions, the Contractor shall be subject to a penalty corresponding to the two performance metrics that the Contractor failed to achieve, less the corresponding operation condition that the County failed to achieve.

The County's failure to achieve operational conditions in any given quarter shall only be considered in determining whether the Contractor is entitled to an offset for the Contractor's failure to achieve performance metrics under this Agreement and under no circumstances shall County's failure to achieve operational standards result in Contractor receiving compensation beyond that set forth in Exhibit B to this Agreement.

As stated above, under no circumstances shall Contractor ever receive during a quarter any amount greater than the total quarterly incentive amount of \$23,521. Once the calculation of Contractor compliance with performance metrics is complete following each quarter, any "penalty" assessed from the calculation of the quarter will be withheld from the monthly payment immediately following the date upon which County informs Contractor of the extent of its compliance with the performance metrics for the preceding quarter.

Contractor compensation under this Agreement will be reduced up to a maximum withholding of TWENTY THREE THOUSAND FIVE HUNDRED TWENTY ONE DOLLARS (\$23,521) for not meeting or exceeding metrics each quarter. Each metric is valued at \$4,704.20 each quarter.

However, under no circumstances shall Contractor ever receive during a quarter any amount greater than the total quarterly withhold amount of \$23,521.

EXHIBIT D

LIST OF MILLS-PENINSULA DIVISION SURGEONS

Aziz Ahmad, MD
Bruce Allen, MD
Dirk Baumann, MD
John Beare, MD
Kimberly Dalal, MD
Pamela Foster, MD
Stephanie Lin, MD
Andrea Metkus, MD
John Rosenman, MD
Albert Wetter, MD
Randolph Wong, MD
Jane Woo, MD

EXHIBIT E

CORPORATE COMPLIANCE SMMC CODE OF CONDUCT (THIRD PARTIES)

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

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

MILLS PENINSULA DIVISION OF PALO ALTO MEDICAL FOUNDATION
Name of Person/Entity (the "Undersigned")

Brian C. Roach MD
Signature and Printed Name
PRESIDENT MPD-PAMF

9-10-2013
Date

ATTACHMENT I

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

The undersigned (hereinafter called "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.

Name of 504 Person: Alexander Schubak

Name of Contractor(s): Palo Alto Medical Foundation for Healthcare, Research and Education

Street Address or P.O. Box: 577 Airport Blvd., Suite 300

City, State, Zip Code: Burlingame, CA 94010

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

Signature:

Alexander Schubak

Title of Authorized Official: Disability Program Manager/ ADA Coordinator/ Section 504 Coordinator

Date: 09/04/2013

*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."