

AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND NAVIGANT CONSULTING, INC.

This Agreement is entered into this _____ day of _____, 2018, by and between the County of San Mateo, a political subdivision of the state of California, hereinafter called "County" or "SMMC," and Navigant Consulting, Inc. hereinafter called "Contractor" or "Navigant."

* * *

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

Whereas, it is necessary and desirable that Contractor be retained for the purpose of providing revenue cycle consulting in support of the operations of the County's San Mateo Medical Center.

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

1. Exhibits and Attachments

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

Exhibit A—Services

Exhibit B—Payments and Rates

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

Attachment H—HIPAA Business Associate Requirements

2. Services to be performed by Contractor

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

3. Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, County shall make payment to Contractor based on the rates and in the manner specified in Exhibit B. In no event shall County's total fiscal obligation under this Agreement exceed EIGHT HUNDRED FORTY THOUSAND DOLLARS (\$840,000). In the event that the County makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the County at the time of contract termination or expiration. Contractor is not entitled to payment for work not performed as required by this agreement. All invoices must be approved by the Manager of Health Information Management Services or their designee and paid within 30 days of receipt of the invoice. Invoices must be sent to: SMMC-Accounts-Payable@smcgov.org. Processing time may be delayed if invoices are not submitted electronically.

4. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from May 1, 2018, through April 30, 2021.

5. Termination

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

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

Either party may terminate this Agreement for cause. In order to terminate for cause, a party must first give the other party notice of the alleged breach and such party shall have five (5) business days after receipt of such notice to respond and a total of ten (10) calendar days after receipt of such notice to cure the alleged breach. If a party fails to cure the breach within this period, the other party may immediately terminate this Agreement without further action. The option available in this paragraph is separate from the ability to terminate without cause with appropriate notice described above. In the event that a party provides notice of an alleged breach pursuant to this section, such party may, in extreme circumstances, immediately suspend performance of services under this Agreement pending the resolution of the process described in this paragraph. In the event of termination for any reason, County shall pay Contractor all amounts to which it is entitled to under this Agreement as of and up to the date of termination of the Agreement.

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 County and that neither Contractor nor its employees acquire any of the rights, privileges, powers, or advantages of County employees.

7. Hold Harmless

a. General Hold Harmless

Contractor or County each agree to indemnify and save harmless the other, and its officers, directors, wholly owned subsidiaries, and employees from all third party claims, suits, or actions of every name, kind, and description directly arising from this Agreement, the performance of any work or services required of Contractor under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

(A) injuries to or death of any customer, business invitee, or business visitor or other person caused by the tortious conduct of the indemnitor;

(B) the damage, loss or destruction of any real or tangible personal property caused by the tortious conduct of the indemnitor;

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

(D) any claim solely and directly caused by the gross negligence of the other party during the performance of Services under this Agreement.

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

b. Client and Third Party Work Product

The information provided by County to Contractor shall be considered "as is" and Contractor will not validate or confirm the accuracy of the data and information provided. It is further understood that Contractor may be reviewing work product prepared by parties other than Contractor on behalf of County, and accordingly, County agrees to hold harmless and indemnify Contractor for any and all claims, damages, demands, liability and costs (including attorney fees as incurred) arising from negligent acts, errors and omissions of the parties who prepared such work product.

8. Intellectual Property

Upon full payment of all amounts due Contractor in connection with this Agreement, all rights, title and interest in any information and items, including summaries, documents, reports and portions thereof Contractor provides to County (the "Contractor Deliverables") will become County's sole and exclusive property for its internal business purposes and uses pursuant to the scope set forth in this Agreement, subject to the exceptions set forth below. Contractor shall retain sole and exclusive ownership of all rights, title and interest in its work papers, proprietary information, processes, methodologies, know-how and software, including such information as existed prior to the delivery of the Services and, to the extent such information is of general application, anything that it may discover, create or develop during provision of the Services ("Contractor Property"). To the extent the Contractor Deliverables contain Contractor Property, County is granted a non-exclusive, non-assignable, royalty-free license to use it in connection with the subject of this Agreement.

9. Contractor Deliverables

Contractor is providing the Services and Contractor Deliverables solely for County's internal use and benefit. The Services and Contractor Deliverables are not for a third party's use, benefit or reliance and Contractor disclaims any contractual or other responsibility or duty of care to any third party based upon the Services or Contractor Deliverables. Except as described below, County shall not discuss the Services with or disclose Contractor Deliverables to any third party, or otherwise disclose the Services or Contractor Deliverables without Contractor's prior written consent. County will indemnify and hold Contractor harmless from any and all claims asserted by a third party as a result of such unauthorized release of the Contractor Deliverables or reliance on the Services. The Services and Contractor Deliverables, including any oral advice or comments, should not be associated with, referred to or quoted in any manner in any financial statements or any offering memorandum, prospectus, registration statement, public filing, loan or other agreements. County may disclose the Contractor Deliverables or discuss information relating to the Services (a) as required by law including, but not limited to, laws regarding the disclosure of public records, such as the California Public Records Act; (b) as required by any court or any governmental or regulatory agency with supervisory authority over County; and (c) with County's legal advisors and auditors which are acting for County's benefit and on County's behalf and which have a need to know such information in order to provide advice or services to County.

10. Assignability and Subcontracting

Contractor shall not assign this Agreement or any portion of it to a third party or subcontract with a third party to provide services required by Contractor under this Agreement without the prior written consent of County. Any such assignment or subcontract without County's prior written consent shall give County the right to automatically and immediately terminate this Agreement without penalty or advance notice. Notwithstanding the foregoing, Contractor may work with and use the services of other entities controlled by, or under common control with, Contractor.

11. Insurance

a. General Requirements

Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this Section has been obtained and such insurance has been approved by County's Risk Management, and Contractor shall use diligence to obtain such insurance and to obtain such approval. Contractor shall furnish County with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. Contractor shall endeavor to provide thirty (30) days' advanced notice, or in the event that thirty (30) days' notice is not possible, as much notice as reasonably possible under the circumstances, of any cancellation or modification of the policy.

b. Workers' Compensation and Employer's Liability Insurance

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

c. Liability Insurance

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

Contractor's comprehensive general liability insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below; provided further that the annual aggregate amount for each liability below shall be three (3) million dollars:

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

(b) Professional Liability..... \$1,000,000

County and its officers, agents, employees, and servants shall be named as additional insured on the Comprehensive General Liability policy, which shall also contain a provision that (a) the insurance afforded thereby to County and its officers, agents, employees, and servants shall be primary insurance

to the limits described above and (b) if the County or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work pursuant to this Agreement. County must make any payments of any compensation required pursuant to Section 2 hereof on account of Services performed as of and up to the date of termination.

12. Compliance With Laws

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

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

13. Confidentiality

(a) "Confidential Information" means the confidential information to be disclosed under this Agreement including certain proprietary information, which may include but is not limited to, strategic planning, financial data, business plans, trade secrets, technical data, computer programs, policies, procedures, benchmarking, know-how, methodologies, discoveries, ideas, concepts, techniques, designs, specifications, drawings, blueprints, diagrams, flow charts, marketing plans, customer names, claims information, and other technical, financial, or business information not generally known in the marketplace, and Personally Identifiable Information as defined below.

(b) "Personally Identifiable Information" means all information that can be used to identify an individual, as may be defined in applicable information security and privacy laws, and includes "Nonpublic Personal Information" ("NPI"), as defined under the Gramm-Leach-Bliley Act (15 U.S.C. §6801 et seq.) and "Protected Health Information" ("PHI"), as defined under the Health and Insurance Portability and Accountability Act of 1996 (42 U.S.C. §1320d) ("HIPAA.")

(c) The party disclosing the Confidential Information will be referred to as the "Disclosing Party" and the party receiving the Confidential Information will be referred to as the "Recipient." It is understood that one party can, at certain times, be a "Recipient" and at other times a "Disclosing Party."

(d) Recipient agrees that neither it, nor any of its employees, officers, directors, agents, and representatives who need to know such information (collectively, its "Representatives") will: (a) in any fashion or for any purpose use the Confidential Information except for the purpose set forth in this

Agreement; or (b) disclose, divulge, publish or disseminate the Confidential Information except as expressly authorized by this Agreement. Recipient further agrees that it and its Representatives will: (y) take all reasonable measures to protect the confidentiality of, and avoid disclosure or use of, the Confidential Information so as to prevent it from entering the public domain or falling into the possession of persons other than those authorized by this Agreement to have access to it; and (z) only permit those Representatives of Recipient who are authorized to participate, directly or indirectly, to have access to Confidential Information.

(e) Confidential Information shall not include any information (a) previously known by Contractor, (b) independently developed by Contractor, without use of any Confidential Information, (c) acquired by Contractor from a third party that is not, to Contractor's knowledge after due inquiry, under any legal obligation not to disclose such information (d) that is, or becomes, public through no breach by Contractor of this Agreement (e) the information that the County is required to disclose pursuant to law, including the California Public Records Act. In the event that the County receives a request for Confidential Information that the County determines it is required to disclose to the requestor pursuant to law, including the California Public Records Act, the County will use reasonable diligence to inform Contractor of the request and will afford Contractor a period of time that is reasonable under the circumstances to seek an order from a competent tribunal to protect the Confidential Information from disclosure. It shall be Contractor's obligation to inform County of information that it deems to be "Confidential Information" within the meaning of this Agreement.

(f) Accordingly, Contractor agrees, subject to applicable law or court order, not to disclose any of its communications, or any of the information it receives and develops in the course of the Services, to any person or entity apart from County and such other persons or entities as County may designate.

(g) If access to any of the materials and information in Contractor's possession relating to this Agreement are sought by a third party, or any of its professionals are requested or compelled to testify as a fact witness in any legal proceeding related to this Agreement, by subpoena or otherwise, or it is made a party to any litigation related to this Agreement, Contractor will promptly notify County of such action, and either tender to County its defense responding to such request and cooperate with County concerning Contractor's response thereto or retain counsel for its defense. In such event, County shall compensate Contractor at its standard billing rates for its professional fees and reimburse Contractor's expenses, including reasonable attorneys' fees (internal and external), involved in responding to such action.

(h) If any of Contractor's professionals are asked to provide testimony, it may be necessary for him or her to resist efforts by a third party to elicit confidential and proprietary materials of Contractor and other Contractor clients. Contractor will take all reasonable efforts to protect the interests of County, consistent with its need to protect Contractor's Confidential Information as well as the Confidential Information of other Contractor clients and to comply with Contractor's applicable non-disclosure obligations herein.

(i) Contractor shall implement and maintain commercially reasonable administrative, technical and physical safeguards designed to secure the Confidential Information sufficient to comply with applicable law.

(j) The confidentiality obligations in this Section (Confidentiality) shall survive the termination or expiration of this Agreement.

14. Non-Discrimination and Other Requirements

a. General Non-discrimination

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

b. Equal Employment Opportunity

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

c. Section 504 of the Rehabilitation Act of 1973

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

d. Compliance with County's Equal Benefits Ordinance

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

e. Discrimination Against Individuals with Disabilities

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

f. History of Discrimination

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

g. Reporting; Violation of Non-discrimination Provisions

Contractor shall report to the County Manager the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the

Agreement or the Section titled "Compliance with Laws". Such duty shall include reporting of the filing of any and all charges with the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or any other entity charged with the investigation or adjudication of allegations covered by this subsection within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include a general description of the circumstances involved and a general description of the kind of discrimination alleged (for example, gender-, sexual orientation-, religion-, or race-based discrimination).

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

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

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

h. Compliance with Living Wage Ordinance

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

15. Compliance with County Employee Jury Service Ordinance

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

16. Retention of Records; Right to Monitor and Audit

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

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

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

17. Conflicts of Interest

Based on Contractor's conflict check procedure, Contractor is not aware of circumstances that constitute a conflict of interest or that would otherwise impair Contractor's ability to provide objective assistance to the County. Contractor's determination of conflicts is based primarily on the substance of its work and not the parties involved. Contractor is a large consulting company that is engaged by many companies and individuals. Contractor may have in the past represented, may currently represent or may in the future represent other clients whose interests may have been, may currently be or may become adverse to County in litigation, transactions, or other matters (collectively "Other Clients"). Therefore as a condition to Contractor's undertaking to provide the Services to the County, County agrees that Contractor may continue to represent, and in the future may represent Other Clients provided however that Contractor agrees that it will not accept retentions by Other Clients that would be adverse to County in the same legal proceeding on the factual matters that are the subject matter of this Agreement. Notwithstanding any other provisions herein, County agrees and acknowledges that Contractor is not restricted in any way from providing eDiscovery services to Other Clients.

18. Limitation of Liability

Notwithstanding the terms of any other provision, the total liability of each party and its affiliates, directors, officers, employees, subcontractors, agents and representatives for all claims of any kind arising out of this Agreement, whether in contract, tort or otherwise, shall be limited to the total fees paid to Contractor under this Agreement in the preceding 12 months. Neither Contractor nor County shall in any event be liable for any indirect, consequential or punitive damages, even if County or Contractor have been advised of the possibility of such damages. No action, regardless of form, arising out of or relating to this Agreement, may be brought by either party more than one year after the cause of action has accrued, except an action for non-payment may be brought within one year following the date of the last payment due under this Agreement. Contractor shall not be liable for any loss or destruction of any valuable documents provided to Contractor. County shall be responsible for insuring such documents against loss and destruction.

19. Force Majeure

Contractor shall not be deemed in default of any provision of this Agreement or be liable for any delay, failure in performance, or interruption of the Services resulting directly or indirectly from acts of God,

electronic virus attack or infiltration, civil or military authority action, civil disturbance, war, strike and other labor disputes, fires, floods, other catastrophes, and other forces beyond its reasonable control.

20. Merger Clause; Amendments

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein and supersedes any other such promises or representations.

21. Controlling Law; Venue

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

22. Notices

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

In the case of County, to:

Name/Title: Chief Executive Officer
Address: San Mateo Medical Center
222 W 39th Avenue
San Mateo, CA 94403
Facsimile: 650/573-2950

In the case of Contractor, to:

Name/Title: Navigant Consulting, Inc.,
Attn: Kristin Greenstreet, Managing Director
Address: 2000 Lenox Drive, Building 5,
Lawrence Township, NJ 08648
Telephone: 609.219.8782
Email: Kristin.Greenstreet@navigant.com

With a copy to: Navigant Consulting
Office of the General Counsel, Suite 2100
150 North Riverside Plaza
Chicago, IL 60606

23. Electronic Signature

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

* * *

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

For Contractor: Navigant Consulting, Inc.


Contractor Signature

4/30/18
Date

Connor P. McFadden
Contractor Name (please print)

COUNTY OF SAN MATEO

By:

President, Board of Supervisors, San Mateo County

Date:

ATTEST:

By:

Clerk of Said Board

Exhibit A

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

Proposed Project Plan

Contractor shall provide the following services:

Phase Overview

Phase	Overview
Clinical Documentation Assessment	<ul style="list-style-type: none">• Assessment / gap analysis of SMMC documentation, claims data, processes and workflows for Inpatient and Outpatient Clinic documentation services
Design and Implementation	<ul style="list-style-type: none">• Implementation and ongoing program monitoring /management.<ul style="list-style-type: none">○ Planning of the program○ Training of SMMC staff
Technology	<ul style="list-style-type: none">• Recommendations on how to integrate and optimize process and technology
Interim CDI Staffing	<ul style="list-style-type: none">• Offer guidance on staffing company options and screening of initial resumes to help prioritize candidates to be reviewed by SMMC

Clinical Documentation Assessment

Navigant will conduct an assessment / gap analysis of SMMC documentation, claims data, processes, and workflows for Inpatient and Outpatient Clinic documentation services. The goal of the assessment is to understand the documentation and coding practices of SMMC to confirm appropriate compliance with state and federal regulations and appropriate reimbursement for services delivered.

The scope of the assessment will include the following steps:

1. Submit a System and Data Request for the assessment
 - Quantitative Data Request
 - The purpose of the quantitative data request is to provide the necessary data elements to allow Navigant to perform operational benchmarking and financial opportunity calculations.
 - Navigant will provide a comprehensive quantitative data request during the kick-off phase of the project.
 - The data request will include IT data extracts and reports.
 - Operational Data Request and Analysis
 - The purpose of the operational data request is to provide Navigant with relevant data elements including but not limited to: organizational structure and role information, key personnel contact information, policies, vendor contracts and reporting, coding audit results, training approach, and other key program information.

- We ask that you provide all information as realistically available; the success of the overall assessment is contingent on relevant information provided.
 - Technical System Access and System Extracts
 - Detailed system extracts will provide Navigant the opportunity to complete a more detailed analysis for SMMC.
 - The purpose of system access is to provide Navigant with the appropriate level of clearance to perform a detailed assessment.
 - Navigant will only seek security clearance levels appropriate for the boundaries of the project.
2. Conduct necessary interviews to gain a deeper understanding of processes, workflows, use of technology and culture of SMMC. The following areas will be evaluated:
 - Processes / Workflow
 - Productivity, Performance, and Quality Metrics at the functional level
 - Identify opportunities for key interdepartmental work and information flow
 - Use of EHR and other tools / technology and how the staff interfaces with these systems
 3. Conduct a financial analysis and impact of CMI and other key program enhancement opportunities.
 4. Conduct a documentation and coding review to assess whether the clinical documentation meets industry best practices, that the medical record contains appropriate documentation of patient history, presentation, diagnosis, treatment, and outcomes, and that the billing and coding aspects relate to the care provided.
 - Navigant will perform a coding review on a set of charts selected from the time period of November 2017 through the start of the project to assess coding quality, DRG accuracy and clinical documentation accuracy. We propose a coding review of seventy (70) inpatient cases which will focus on:
 - Documentation review to support DRG assignment based on the patient's severity of illness at the time of admission and throughout the hospital stay
 - DRG accuracy
 - Principal diagnosis accuracy
 - Secondary diagnosis accuracy
 - Disposition accuracy
 - Present on admission indicator accuracy
 - Accurate capture for coding impacts to quality profiling
 - Severity of illness coding assignment
 - Missed query opportunities
 - Query template use and appropriateness of queries
 - Navigant will perform a coding review by reviewing one hundred twenty-five (125) Evaluation and Management encounters and facility fees for up to twenty-five (25) providers (or a mutually agreed upon number of providers by SMMC and Navigant). *The review typically includes new patient Outpatient visits, established patient visits, initial hospital evaluations, subsequent hospital visits, critical care, discharges, facility fees and consultations.*
 - This review will focus on current documentation criteria. All reviews will be based on AMA-CMS Evaluation and Management (E&M) Documentation Guidelines

using Intelicode software. Current Procedural Terminology (CPT), Medicare regulations, and ICD-10-CM Diagnosis Guidelines will be the standards used for this evaluation. HCPCS and modifier assignment will also be reviewed. Review of facilities fees will be added, as necessary.

- The review will include confirmation that the primary focus of the visit has been sequenced as the first ICD-10-CM code.
- The review will include the calculation of errors as to undercharge / under coding, overcharge / up coding, wrong category, correct facility charges as necessary, and non-chargeable / non-billable services reflecting a gross financial error rate.

5. Navigant will create the final recommendations for the SMMC Inpatient and Outpatient clinical documentation program. The recommendations will include short-term and long-term recommendations with specific focus on:

- Standardized process, workflows, policies, and procedures that support the CDI program's strategic goals
- Collaboration and integration between CDI, HIM, and other quality and clinical teams
- Training and education approach
- Physician engagement
- Efficient and effective use of technology
- Data capture, data analytics, root cause analysis, performance monitoring, and tracking and trending
- Financial impact opportunities
- Prioritization of key areas of opportunity with recommended implementation steps

Design and Implementation

Navigant will lead SMMC in the detailed design and build to support the implementation of a leading practice CDI program. This support will be in collaboration with SMMC (and Navigant staff) and will include:

- Program Design
- Technology
 - Review and selection of software for tracking and reporting
 - Design of workflow for work delegation for CDI
 - Technology optimization recommendations
- Program Monitoring / Management and Ongoing Reporting
 - Recommended new metrics and reports to monitor the CDI program
- Training and Education

Program Design

Navigant will work with SMMC to design a leading practice approach to clinical documentation for Inpatient and Outpatient services. The design will include:

- CDI roles and responsibilities
- Functional design of CDI processes
- Policies and procedures
- Key Performance Indicators (KPIs)
- Sample job descriptions

Program Monitoring / Management and Ongoing Reporting

It will be important to define the key metrics that will need to be tracked and finalize the calculations, data sources, and reporting frequency for key metrics and reports.

The key for the program is to transform data into useful, actionable information that will help leadership to effectively understand where opportunities exist, calculate the associated financial opportunities, and to monitor ongoing performance to ensure the overall sustainability of the program. The recommendations made by Navigant may require SMMC IT or vendor involvement to implement required needs.

The key steps in this phase of the project will include:

- Review existing CDI reports and dashboards to determine usefulness, practicality, and areas for improvement
 - Metrics and calculations
 - Inclusions versus exclusions
 - Packaging of results / ability to turn data into useful information
 - Frequency of reporting
 - Overall design structure
- Recommend revisions or new reporting needs that will support the ongoing management of the CDI functions and allow key leaders to effectively monitor impact and performance over time.

Training and Education

Training will be a critical part of a successful implementation approach. It is important to note that SMMC and Navigant will need to further evaluate the findings of the review and assessment to deploy the appropriate training strategy. The below is intended to represent a customized approach to training for all functional areas based on the assessment results.

The key steps related to training and education are as follows:

- Develop a comprehensive training plan necessary to address all areas of focus identified in the review and assessment process.
- Create customized training content that specifically addresses education needs identified during the review and assessment. Training will be focused on:
 - Clinical Documentation Specialists (CDS)
 - Physicians / Clinicians
 - CDI Physician Advisors
- Plan for the delivery of training – Navigant will work with SMMC to finalize training participation, logistics for training sessions, and specific areas that need to be covered.

The recommended timing and areas of focus for training can be discussed and customized further based on the results of the assessment.

- Conduct the Clinical Documentation Specialists Training – The objective of this Clinical Documentation Improvement Education is to transfer CDI Services knowledge to SMMC's CDSs and HIM Coders, and to build enhanced awareness among SMMC's medical staff and clinical staff. The education will be shared with the CDSs who will be responsible for the CDI program including all additional staff as mutually agreed upon by SMMC and Navigant. It is imperative that the CDS staff charged with review of the physician documentation have a solid understanding of clinical knowledge, the basics of coding, compliant and effective querying, and building effective relationships with the physicians.

The Navigant CDS education will be customized to the exact needs of the SMMC team and focus on areas identified during the assessment. The training model utilizes both a classroom and practical application model. Training is designed to emphasize communication to physicians in a “clinical,” not a “coding” format. Our experience has shown that clinicians are much more accepting of information when it is provided in a manner most consistent with clinical concepts and vocabulary. The focus of the CDS training will help staff to expand upon their current scope of knowledge. Training plans will address this variation in skill level and experience.

For effective adult learning purposes, Navigant will blend both a classroom training and an on-unit shadowing approach for training the Clinical Documentation Improvement team. In our experience, CDSs benefit from “on the job” experience and real-time mentoring and teaching when working with physicians / clinicians as they learn how to effectively and compliantly query physicians and appropriate documentation techniques.

Navigant’s CDI training philosophy is buttressed upon the following:

- Combining classroom training with continuous practical application of all concepts learned in the classroom through unit shadowing of CDS staff
- Incorporating participants’ suggestions and hospital operations into the training process
- Interactive training to maximize participation from the attendees (increase effectiveness of the learning process)

It is imperative that the CDS staff charged with review of the physician documentation have a solid understanding of clinical knowledge and the basics of coding. This knowledge will allow them to interact with the coding staff more effectively. It will also allow them to respond to any relevant questions that physicians or other clinicians may have during the query process. We have found that providing the CDSs with this knowledge creates greater self-confidence and employee engagement in the overall process as well.

CDS Education Approach

Education will be focused on CDI clinical strategies for improvement, complete and accurate documentation by body system (Medical Diagnostic Category, Cardiology, Respiratory, etc.).

- A total of eight weeks of training on using MS-DRG documentation “algorithms,” “Coding Clinic” references, and clinical scenarios. The eight weeks will be scheduled in conjunction with the project sponsors:
 - ICD-10 strategies for CDI have been highlighted in the CDI clinical manual as information is released from CMS.
 - Each Major Diagnostic Category will be covered in the Classroom sessions; as well “real time” practice to apply what is learned.
 - CDI program uses Practice Reviews / case studies to sustain CDI strategies.
 - Education will be also focused on using tools to support the medical record review, building a worksheet and compliant queries. In addition, the team will be coached on how to pose questions to the physician and how to generate queries.
 - Note: If SMMC decides to proceed with ChartWise, the CDI technology will be implemented and used during weeks 2-8, beginning on week 2.
 - CDS, HIM coders, and others identified by SMMC leadership will participate in (all or selected) classroom sessions.
- The CDSs can expect to be involved in educational activities that span Monday through Thursday and consist of a half day of training in the classroom and a half day of applying

the learned knowledge to actual medical records on the floor in a mentoring situation with the consulting team. Week one will be full time education in the classroom:

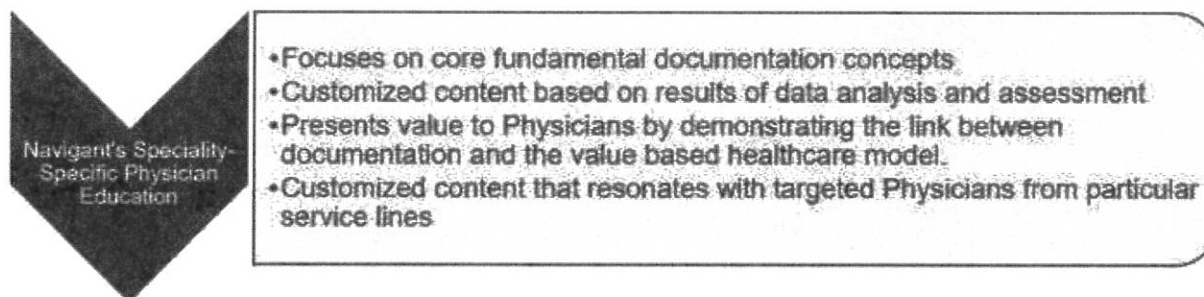
- HIM coders will be involved in the training based upon the recommendation of the steering committee.
- The priority for classroom sessions are focused for CDSs and coders. Others may join the session(s) depending on the size of the classroom.

Conduct the Physician and Clinician Training

Physician education and engagement is a key component for clinical documentation improvement and quality coding processes. To improve clinical documentation, it is necessary to educate physicians who are the main “suppliers” of the clinical documentation contained in the medical record. Navigant’s physician education sessions are developed and delivered “by physicians for physicians” and will leave SMMC’s clinical staff well equipped with good documentation habits. This focus will result in accurate and detailed documentation, thereby improving quality of care.

Navigant will incorporate the analysis and findings from the assessment into the education content so that SMMC physicians are instructed on best practices that address their unique documentation patterns. Navigant has strong experience with specialty-based education.

Navigant’s unique approach to physician education content creation can be summarized as follows:



Navigant’s physician education content creation covers the core strategies and documentation requirements for commonly encountered diagnoses where documentation gaps have been identified during the analysis of data. Navigant has extensive background and experience with the creation and delivery of specialty-based physician training.

Conduct the Physician Advisor Education

A strong and competent Physician Advisor(s) will prove to be paramount not only to the sustainability of SMMC’s CDI program, but it will be just as essential in attaining Medical Staff engagement, awareness and communication. Apart from playing a vital role in the engagement of Medical staff, the CDI Physician Advisor will act as a trusted advisor and subject matter expert, who will help create a pathway to clear, concise communication and dialog regarding matters relating to CDI. The Physician Advisor(s), will also help in the sustainability of CDI clinical education. We propose that the Physician Advisor(s) be trained early in the implementation process so that they can support implementation efforts from the beginning, communicate the right message to the Medical Staff, and develop a strong CDI program.

It is important to note that this training will be **customized** to the specific areas of need for your Physician Advisor(s) based on their experienced and tenure in this role. If your current Physician Advisor has vast experience in this role, we will work with your Advisor to understand current challenges and how we can support the overall advisor role and process.

The training approach for the Physician and Physician Advisor training is presented as day “credits” for SMMC that can be utilized to meet the exact needs for customized training and education. This gives SMMC and Navigant the flexibility to evaluate assessment results and determine the specific approach and type of training needed in each area. For each day credit, SMMC has at their disposal the appropriate Navigant educator and subject matter expert for that day, to deliver education sessions according to schedules that are favorable to minimal disruption of daily workflows. As previously mentioned, there may be areas that will require greater or fewer hours based on assessment results, so SMMC and Navigant will need to re-evaluate the hours during implementation planning. The daily “credits” that have been included in the price of this engagement are as follows:

- 7-Day Credit of Physician and other clinicians training (including delivery of customized technical and MD coding education content) that is customized based on assessment outcomes
- 3-Day Credit of Physician Advisor training with peer-to-peer training

Technology

Navigant will work with SMMC and its technology partners to determine the necessary technology needed to support the CDI program. This will include optimization of existing technology as well as supplemental technology to support the CDI program, if necessary. This phase will include:

- Review and selection of software for tracking and reporting
- Design of workflow for work delegation for CDI
- Technology optimization recommendations

Advisory Services for Interim CDI Staffing

Navigant has the experience to advise SMMC on the best approach for identifying, screening, and hiring interim resource(s) for CDI, if necessary. Although Navigant will not directly provide interim staffing resources based on current resource availability, we will help SMMC screen appropriate vendors / resources.

Engagement Timing

The project will last for approximately 8-10 weeks for the assessment and 12-14 weeks for the design and implementation. Navigant can provide ongoing support on a quarterly basis for three years.

Quality and Feasibility of Navigant’s Approach

Adequate Staffing

Navigant has staffed thousands of projects varying in scope and size from small to large over its 20-year history. For most of these projects, the staffing needs have fluctuated over the life of the engagement. Navigant is quite adept at ramping up and scaling down project staffing in the best interest of our clients, maximizing both cost effectiveness and project efficiency. Navigant

manages its staff retention and mitigates turnover by making a commitment to training and development and by using its proven personnel backup plan.

Navigant has more than 600 consultants in our healthcare practice across the country that will be a resource to draw upon to complete contract tasks, as needed. If a situation occurs where additional staff are needed, our Project Executive and Project Director will work to identify internal resources to supplement our team. The Project Director will be responsible for working with these additional resources if they were to join the project, to bring them up to date on the status of the project and detail the work they are expected to perform. When we bring in new resources to supplement our project team, our Project Director, or other identified project team member, will keep in close contact with these resources throughout the time they are assisting with project work to maintain project continuity.

Training

Navigant's Learning and Professional Development (L&PD) Team is committed to the ongoing development of creative and impactful approaches to promoting the professional growth and advancement of Navigant employees. Through classroom-based courses and online courses offered by L&PD, employees at all levels of the firm have the opportunity to benefit from Navigant's learning programs.

Navigant regards professional development as an investment in its future and that of our clients. To help employees chart their personal professional development goals and objectives for the year, Navigant's Executive Committee has endorsed professional development targets at each level within the company.

Employees may achieve professional development hours through a variety of means, including classroom courses, courses related to preparation for certification, outside seminars, courses from institutions of higher education and online courses available through Navigant.

- Navigant offers its employees a number of Internal Learning Opportunities. Employees are afforded the opportunity to attend classes that are job related and in line with career development goals. These courses include, for example, such courses as Effective Business Writing, Effective Presentations, Financial and Accounting Consulting Essentials (FACE), Leadership Development Institute, Networking and Relationship Building, a number of New Hire Schools, Six Sigma (DMAIC and Lean), Management Consulting courses and Project Management Professional (PMP) courses.
- Navigant offers its employees a number of External Learning Opportunities. Employees may attend external conferences and seminars, obtain professional certifications and participate in continuing education opportunities required to maintain their professional certifications. Navigant encourages its employees to continue their education and expand their knowledge and skills in fields related to their current jobs or possible future opportunities within Navigant.

Clinical Documentation Improvement projects will be staffed with resources that are trained and credentialed with necessary background and certifications necessary for the project. This includes MDs, RNs, credentialed coders, credentialed clinical documentation specialists and ICD10 Approved Trainers.

Background Checks

Navigant hiring practices are in alignment with OIG, reference, educational, and criminal background check practices. It is the policy of Navigant to require pre-employment background investigations on each new hire. The Company may also perform background investigations on

current employees for assignment to a client engagement as required by the client or other employment purposes such as promotion, reassignment, or transfer into specific positions / Practices. The type of background investigations required is determined by the Company considering the nature of the position. The background check generally will include a review of information concerning an individual's employment history, educational history, criminal history, and, in some cases, credit history. Background investigations will be conducted by the Company or by a reputable third-party consumer-reporting agency. All background checks will be conducted in compliance with local, state, and federal law.

This information may also be obtained through indirect contact and/or personal interview with friends, associates, or others with whom the individual is acquainted or who may have knowledge concerning such items or information. Information that is falsely reported or omitted by the individual is cause for withdrawal of an offer of employment and/or cause for immediate termination of employment.

Staff Monitoring

Navigant sets its project management approach within the larger framework of industry standards and best practices. We embrace the project management approach as defined by the Project Management Institute (PMI); many of our professionals are PMI-certified Project Management Professionals (PMPs). As part of our commitment to the PMI standards, we offer in-house training in support of PMP certification and encourage our staff to participate. It is our standard practice to apply Project Quality Management processes as defined by PMI and outlined in the Project Management Book of Knowledge (PMBOK - 5th Edition), which provides standardized, regularly audited and registered QA/QC objectives and procedures that support conformity of products and services. Key elements of our approach to project management include:

- Developing Standard Operating Procedures
- Deploying complex technology and business process management
- Implementing emerging technologies and system integration
- Reengineering of processes and procedures with a focus on improving financial processes and supporting systems
- Developing work plans and implementation timelines and using those timelines to inform workgroups of progress and to identify potential risk areas
- Conducting regular status meetings with client project managers, using meeting formats and documentation to keep them apprised of our work and progress of workgroups
- Recognizing needs for subject matter expertise for particular planning and implementation tasks and identifying the most appropriate experts to bring to the table
- Establishing "best practice" benchmarks

The successes and lessons learned from our past projects demonstrate that the individuals selected to serve in project leadership roles is critical.

Additional Terms Related to CDI Services

SMMC shall retain all authority, responsibilities and obligations as owner of its medical practice and business, including without limitation the responsibility to maintain complete accurate medical records, to assign accurate and appropriate CPT codes and to bill for medically necessary services in accordance with applicable federal and state regulations and the requirements of third party payors, including Medicare and Medicaid, and to otherwise comply with the laws and regulations applicable to

SMMC and its business. It is further specifically acknowledged that Navigant does not provide legal advice and that it is SMMC's obligation to seek advice of legal experts. SMMC further agrees that the correct preparation, coding and submission of claims for payment and reimbursement by patients and third parties (including government payors), ensuring the integrity of SMMC's dealings with all federal and state healthcare programs, any necessary remediation and refunding related to such claims, and any damages, fines, and penalties related to such claims, are the sole responsibility of SMMC; and that Navigant is not responsible for SMMC's claims for payment and reimbursement, nor will SMMC assert that Navigant has any liability related to such claims.

SMMC agrees to provide Navigant with instructions prior to the performance of Services with regard to Navigant's communication of findings that illustrate a negative reimbursement impact to SMMC. In the absence of any instructions from SMMC, Navigant shall communicate such findings directly to SMMC's compliance department or legal counsel.

SMMC acknowledges that medical necessity determinations should be based only on physicians' medical judgment and the presenting clinical condition of the patient and that Navigant does not encourage or promote inaccurate claims submission in the form of unbundling, upcoding or otherwise. Navigant is solely providing assistance by auditing claims. SMMC agrees to abide by laws, regulations, terms, and conditions specified by government payers and SMMC will immediately notify Navigant of any non-compliance of the foregoing including but not limited to the discovery of coding errors by SMMC.

SMMC agrees to provide Navigant with timely access to information, locations, and personnel reasonably necessary for the performance of the Services. SMMC acknowledges and agrees that Navigant may, in performing its obligations pursuant to this Agreement, use data, material, and other information furnished by SMMC, including such information provided by SMMC's physicians and documented notes made by the physicians in the patient medical record for billing and coding decisions, without any independent investigation or verification and that Navigant will be entitled to rely on the accuracy and completeness of such information in performing the Services under the Agreement. SMMC acknowledges that Navigant is not and shall not be liable to SMMC if any of Navigant's findings, advice and recommendations are incorrect due to inaccurate and/or incomplete source information provided by SMMC.

Exhibit B

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

The following pricing table reflects the fees for the scope of work described in this proposal. Please note that the pricing assumes that SMMC will engage Navigant to provide the Assessment, Design / Implementation, and Follow-up Visits; a discount was applied to the overall fees to account for all three phases of work. If SMMC decides to engage multiple vendors for the three areas of work, it will impact the discounted comprehensive project fees.

Phase	Overview	Fees
<i>Phase 1: Assessment</i>		
Clinical Documentation Assessment	Inpatient Coding and Documentation Review (70 records)	\$99,948
	Outpatient Coding and Documentation Review (125 records)	
	Program Assessment	
<i>Phase 2: Implementation and Ongoing Monitoring</i>		
Design and Implementation	<ul style="list-style-type: none"> Planning, design and implementation of the CDI program Training and Education <ul style="list-style-type: none"> CDS Training (8 weeks classroom and nursing unit-based mentoring) Physician Advisor Training (3-day credit) Physician Sessions (7-day credit) 	\$287,060
Follow-up Review and Education for Ongoing Program Sustainability	<ul style="list-style-type: none"> Ongoing program monitoring / management <ul style="list-style-type: none"> Quarterly reviews and analysis Follow-up reports on trends, findings and additional focused education 	\$275,000 - \$410,000 (depending on years of follow-up visits)
<i>Phase 3: Interim Staffing</i>		
Interim CDI Staffing Guidance	<ul style="list-style-type: none"> Complete job description for interim staffing needs Offer guidance on staffing company options and screening of initial resumes to help prioritize candidates to be reviewed by SMMC 	Included in design and implementation pricing above

Phase Overview Fees

Navigant Professional Fees for this engagement are not to exceed \$840,000. Interim staffing / staff augmentation is not included in this figure, as it is priced commensurate with the number of team members and hours.

Navigant Professional Fees are based on the experience and skills of the personnel involved and are adjusted periodically, typically on January 1 of each year. Independent contractors or subcontractors may be utilized from time to time. Professional services will be billed monthly. SMMC shall pay Navigant within thirty (30) days of the invoice date. A late charge of 1% per month will accrue on amounts not paid within 30 days of the date of the invoice. If a report,

deliverable, presentation, retreat or board meeting attendance is required, Navigant reserves the right to request payment of outstanding fees and expenses prior to submission of such required deliverables. In addition, Navigant reserves the right to suspend services until payment is received on past due invoices. If payment on invoices is past due more than sixty (60) days, Navigant reserves the right to terminate the Agreement without any further liability. Navigant does not predict or warrant the outcome of any matter or issue, and our fees are not dependent on such outcomes.

Expenses

In addition to the fees outlined above, SMMC will reimburse Navigant for its actual and reasonable expenses incurred in the performance of the services. Related expenses will be billed monthly at cost with no mark-up.

1. Estimated travel expenses must be submitted to the County's contract contact person for advanced written authorization before such expenses are incurred. No travel expenses are reimbursable under this Agreement unless such written pre-authorization is obtained.
 2. The maximum reimbursement amount for the actual cost of lodging, meals, and incidental expenses ("LM&I Expenses") is limited to the then-current Continental United States ("CONUS") rate for the location of the work being done (i.e., Redwood City for work done in Redwood City, San Mateo for work done at San Mateo Medical Center) as set forth in the Code of Federal Regulations and as listed by the website of the U.S. General Services Administration (available online at <http://www.gsa.gov/portal/content/104877> or by searching www.gsa.gov for the term 'CONUS'). CONUS rates are set by fiscal year and are effective October 1st through September 30th.
 3. The maximum reimbursement amount for the actual cost of airline and car rental travel expenses ("Air & Car Expenses") shall be a reasonable rate obtained through a cost-competitive travel service (e.g., a travel or car-rental website). Reimbursable air travel is restricted to economy or coach fares (not first class, business class, "economy-plus," or other non-standard classes) and reimbursable car rental rates are restricted to the mid-level size range or below (i.e., full size, standard size, intermediate, compact, or subcompact). No specialty, luxury, premium, SUV, or similar category vehicles may be submitted for reimbursement. Other reasonable travel expenses ("Other Expenses") such as taxi fares, parking costs, train or subway costs, etc. shall be reimbursable on an actual-cost basis.
 4. If in doubt about the propriety of LM&I Expenses, Air & Car Expenses, or Other Expenses, Contractor should err on the side of caution and not incur an expense at that level or obtain authorization from the County's contract contact person.
- . All expense reimbursement payments will be billed on a monthly basis and are due within thirty (30) days of invoice.

EXHIBIT E

CORPORATE COMPLIANCE SMMC CODE OF CONDUCT (THIRD PARTIES)

Contractor 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.

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

Contractor, 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.

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

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

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

Contractor 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.

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

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

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

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

Contractor, in executing this Agreement, certifies that an authorized representative has received this Code of Conduct, understands it, has authority to commit Contractor to this Code of Conduct, and has committed Contractor to comply with this Code of Conduct.

Attachment H

Health Insurance Portability and Accountability Act (HIPAA)

Business Associate Requirements

DEFINITIONS

Terms used, but not otherwise defined, in this Schedule shall have the same meaning as those terms are defined in 45 Code of Federal Regulations (CFR) sections 160.103, 164.304, and 164.501. All regulatory references in this Schedule are to Title 45 of the Code of Federal Regulations unless otherwise specified.

- a. **Business Associate.** "Business Associate" shall generally have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the parties to this agreement shall mean Contractor.
- b. **Covered Entity.** "Covered entity" shall generally have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference to the party to this agreement shall mean County.
- c. **HIPAA Rules.** "HIPAA rules" shall mean the Privacy, Security, Breach Notification and Enforcement Rules at 45 CFR part 160 and part 164, as amended and supplemented by Subtitle D of the Health Information Technology for Economic and Clinical Health Act provisions of the American Recovery and Reinvestment Act of 2009.
- d. **Designated Record Set.** "Designated Record Set" shall have the same meaning as the term "designated record set" in Section 164.501.
- e. **Electronic Protected Health Information.** "Electronic Protected Health Information" (EPHI) means individually identifiable health information that is transmitted or maintained in electronic media; it is limited to the information created, received, maintained or transmitted by Business Associate from or on behalf of Covered Entity.
- f. **Individual.** "Individual" shall have the same meaning as the term "individual" in Section 164.501 and shall include a person who qualifies as a personal representative in accordance with Section 164.502(g).
- g. **Privacy Rule.** "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.
- h. **Protected Health Information.** "Protected Health Information" (PHI) shall have the same meaning as the term "protected health information" in Section 160.103 and is

limited to the information created or received by Business Associate from or on behalf of County.

- i. **Required By Law.** "Required by law" shall have the same meaning as the term "required by law" in Section 164.103.
- j. **Secretary.** "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his or her designee.
- k. **Breach.** The acquisition, access, use, or disclosure of PHI in violation of the Privacy Rule that compromises the security or privacy of the PHI and subject to the exclusions set forth in Section 164.402. Unless an exception applies, an impermissible use or disclosure of PHI is *presumed* to be a breach, unless it can be demonstrated there is a low probability that the PHI has been compromised based upon, at minimum, a four-part risk assessment:
 - 1. Nature and extent of PHI included, identifiers and likelihood of re-identification;
 - 2. Identity of the unauthorized person or to whom impermissible disclosure was made;
 - 3. Whether PHI was actually viewed or only the opportunity to do so existed;
 - 4. The extent to which the risk has been mitigated.
- l. **Security Rule.** "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 160 and Part 164, Subparts A and C.
- m. **Unsecured PHI.** "Unsecured PHI" is protected health information that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary in relevant HHS guidance.
- n. **Security Incident.** "Security Incident" shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. "Security Incident" includes all incidents that constitute breaches of unsecured protected health information.

OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE

- a. Business Associate agrees to not use or further disclose Protected Health Information other than as permitted or required by the Agreement or as required by law.
- b. Business Associate agrees to use appropriate safeguards to comply with Subpart C of 45 CFR part 164 with respect to EPHI and PHI, and to prevent the use or disclosure of the Protected Health Information other than as provided for by this Agreement.
- c. Business Associate agrees to make uses and disclosures requests for Protected Health Information consistent with minimum necessary policy and procedures.

- d. Business Associate may not use or disclose protected health information in a manner that would violate subpart E of 45 CFR part 164.504 if used or disclosed by Covered Entity.
- e. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.
- f. Business Associate agrees to report to County any use or disclosure of Protected Health Information not authorized by this Agreement.
- g. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of County, agrees to adhere to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.
- h. If Business Associate has Protected Health Information in a Designated Record Set, Business Associate agrees to provide access, at the request of County, and in the time and manner designated by County, to Protected Health Information in a Designated Record Set, to County or, as directed by County, to an Individual in order to meet the requirements under Section 164.524.
- i. If Business Associate has Protected Health Information in a Designated Record Set, Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the County directs or agrees to make pursuant to Section 164.526 at the request of County or an Individual, and in the time and manner designed by County.
- j. Business Associate agrees to make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of County, available to the County at the request of County or the Secretary, in a time and manner designated by the County or the Secretary, for purposes of the Secretary determining County's compliance with the Privacy Rule.
- k. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for County to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.
- l. Business Associate agrees to provide to County or an Individual in the time and manner designated by County, information collected in accordance with Section (k) of this Schedule, in order to permit County to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.
- m. Business Associate shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of County.

- n. Business Associate shall conform to generally accepted system security principles and the requirements of the final HIPAA rule pertaining to the security of health information.
- o. Business Associate shall ensure that any agent to whom it provides EPHI, including a subcontractor, agrees to implement reasonable and appropriate safeguards to protect such EPHI.
- p. Business Associate shall report to County any Security Incident within three (3) business days of becoming aware of such incident. Business Associate shall also facilitate breach notification(s) to the appropriate governing body (i.e. HHS, OCR, etc.) as required by law. As appropriate and after consulting with County, Business Associate shall also notify affected individuals and the media of a qualifying breach.
- q. Business Associate understands that it is directly liable under the HIPAA rules and subject to civil and, in some cases, criminal penalties for making uses and disclosures of Protected Health Information that are not authorized by this Attachment, the underlying contract as or required by law.

PERMITTED USES AND DISCLOSURES BY CONTRACTOR AS BUSINESS ASSOCIATE

Except as otherwise limited in this Schedule, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, County as specified in the Agreement; provided that such use or disclosure would not violate the Privacy Rule if done by County.

OBLIGATIONS OF COUNTY

- a. County shall provide Business Associate with the notice of privacy practices that County produces in accordance with Section 164.520, as well as any changes to such notice.
- b. County shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.
- c. County shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that County has agreed to in accordance with Section 164.522.

PERMISSIBLE REQUESTS BY COUNTY

County shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if so requested by County, unless the Business Associate will use or disclose Protected Health Information for, and if the Agreement provides for, data aggregation or management and administrative activities of Business Associate.

DUTIES UPON TERMINATION OF AGREEMENT

- a. Upon termination of the Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from County, or created, maintained, or received by Business Associate on behalf of County, that Business Associate still maintains in any form. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.
- b. In the event that Business Associate determines that returning or destroying Protected Health Information is infeasible, Business Associate shall provide to County notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction of Protected Health Information is infeasible, Business Associate shall extend the protections of the Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

MISCELLANEOUS

- a. **Regulatory References.** A reference in this Schedule to a section in the HIPAA Privacy Rule means the section as in effect or as amended, and for which compliance is required.
- b. **Amendment.** The Parties agree to take such action as is necessary to amend this Schedule from time to time as is necessary for County to comply with the requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act, Public Law 104-191.
- c. **Survival.** The respective rights and obligations of Business Associate under this Schedule shall survive the termination of the Agreement.
- d. **Interpretation.** Any ambiguity in this Schedule shall be resolved in favor of a meaning that permits County to comply with the Privacy Rule.

- e. **Reservation of Right to Monitor Activities.** County reserves the right to monitor the security policies and procedures of Business Associate.