

AGREEMENT

between

COUNTY OF SANTA BARBARA

and

COMMUNITY MEMORIAL HEALTH SYSTEM

BC_____

THIS AGREEMENT (hereafter Agreement) is made by and between the County of Santa Barbara, a political subdivision of the State of California (hereafter COUNTY) and Community Memorial Health System (hereafter CMHS) wherein CMHS agrees to provide and COUNTY agrees to accept the services specified herein.

WHEREAS, COUNTY and CMHS wish to engage in a partnership that benefits both parties by establishing an agreement which is contemporary and meets the current needs of the population whom the parties serve, and that accurately reflects the value of the services rendered by County ; and

WHEREAS, under this partnership, CMHS's Psychiatry Residents will benefit from the opportunity to learn basic and clinical sciences of Psychiatry diseases and conditions, obtain education in procedural skills and operative techniques, obtain training in the basic core competencies for Psychiatry, and acquire an introduction in the recognition and management of Psychiatry medical problems; and

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

1. DESIGNATED REPRESENTATIVE.

Director at phone number 805-681-5220 is the representative of County and will administer this Agreement for and on behalf of County. Administrative Director at 805-652-5659 is the authorized representative for CMHS. Changes in designated representatives shall be made only after advance written notice to the other party.

2. NOTICES

Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by personal delivery or facsimile, or with postage prepaid by first class mail, registered or certified mail, or express courier service, as follows:

To County: Director
 Santa Barbara County
 Department of Behavioral Wellness
 300 N. San Antonio Road
 Santa Barbara, CA 93110
 FAX: 805-681-5262

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To CMHS: Administrative Director, Graduate Medical Education
Community Memorial Health System
147 N. Brent Street
Ventura, CA, 93003
PHONE: 805-652-5659
FAX: (805) 585-3060

or at such other address or to such other person that the parties may from time to time designate in accordance with this Notices section. If sent by first class mail, notices and consents under this section shall be deemed to be received five (5) days following their deposit in the U.S. mail. This Notices section shall not be construed as meaning that either party agrees to service of process except as required by applicable law.

3. SCOPE OF SERVICES

County agrees to provide services to CMHS in accordance with EXHIBIT A attached hereto and incorporated herein by reference.

4. TERM

County shall commence performance on 07/01/2016 and end performance upon completion, but no later than 6/30/2017 unless otherwise directed by County or unless earlier terminated.

5. COMPENSATION OF COUNTY

CMHS shall pay County under this Agreement in accordance with the terms of Exhibit B and Exhibit B-1 (attached hereto and incorporated herein by reference). Billing shall be made by invoice, which shall include the contract number assigned by the County and which is delivered to CMHS at the address given in Section 2 NOTICES above. Unless otherwise specified on Exhibit B, payment shall be due in net thirty (30) days from presentation of invoice.

6. STANDARD OF PERFORMANCE

County represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement. Accordingly, County shall perform all such services in the manner and according to the standards observed by a competent practitioner of the same profession in which contracted provider is engaged. Permits and/or licenses shall be obtained and maintained by County without additional compensation.

7. CONFLICT OF INTEREST

The parties covenant that the parties presently have no interest and will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services

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required to be performed under this Agreement. The parties further covenant that in the performance of this Agreement, no person having any such interest will be employed by parties.

8. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY

County shall be the owner of the following items incidental to this Agreement upon production, whether or not completed: all data collected and any material necessary for the practical use of the data and/or documents from the time of collection and/or production, whether or not performance under this Agreement is completed or terminated prior to completion.

9. NO PUBLICITY OR ENDORSEMENT

CMHS shall not use County's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials. CMHS shall not use County's name or logo in any manner that would give the appearance that the County is endorsing CMHS. CMHS shall not in any way contract on behalf of or in the name of County. CMHS shall not release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning the County or its projects, without obtaining the prior written approval of County.

10. COUNTY PROPERTY AND INFORMATION

All of County's property, documents, and information provided for CMHS's use in connection with the services shall remain County's property, and CMHS shall return any such items whenever requested by County and whenever required according to the Termination section of this Agreement. CMHS may use such items only in connection with providing the services. CMHS shall not disseminate any County property, documents, or information without County's prior written consent.

11. NON-DISCRIMINATION.

County hereby notifies CMHS that Santa Barbara County Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein, and CMHS agrees to comply with said ordinance.

12. RECORDS, AUDIT, AND REVIEW

CMHS shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of CMHS's profession and shall maintain all records until such time that the State Department of Health Care Services completes all actions associated with the final audit, including appeals, for the fiscal year(s) covered by this Agreement, or not less than four (4) years following the termination of this Agreement. All accounting records shall be

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kept in accordance with generally accepted accounting principles. County shall have the right to audit and review all such documents and records at any time during CMHS's regular business hours or upon reasonable notice. CMHS shall participate in any audits and reviews, whether by County or the State, at no charge to County.

13. **INSURANCE**

CMHS agrees to the insurance provisions as set forth in EXHIBIT C attached hereto and incorporated herein by reference.

14. **NONEXCLUSIVE AGREEMENT**

CMHS understands that this is not an exclusive Agreement and that County shall have the right to negotiate with and enter into contracts with to provide the same or similar services as those provided to CMHS as the County desires.

15. **TERMINATION**

A. **By County.** County may, by written notice to CMHS, terminate this Agreement in whole or in part at any time, whether for County's convenience or because of the failure of CMHS to fulfill the obligations herein.

1. **For Convenience.** County may terminate this Agreement in whole or in part upon thirty (30) days written notice. If written notification of termination is sent prior to or during a previously scheduled Resident rotation, the rotation shall be completed as scheduled unless otherwise directed by CMHS.
2. **For Cause.** Should CMHS fail to pay County all or any part of the payment set forth in EXHIBIT B, County may, at County's option terminate this Agreement if such failure is not remedied by CMHS within thirty (30) days of written notice to CMHS of such late payment.

B. **By CMHS.**

1. **For Convenience.** CMHS may terminate this Agreement in whole or in part upon thirty (30) days written notice.
2. **For Cause.** Should County default in the performance of this Agreement or materially breach any of its provisions, CMHS may terminate or suspend this Agreement in whole or in part by written notice.

Upon receipt of notice, County shall immediately discontinue all services affected (unless the notice directs otherwise) and notify CMHS as to the status of its

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performance. The date of termination shall be the date the notice is received by County, unless the notice directs otherwise.

16. SECTION HEADINGS

The headings of the several sections, and any Table of Contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

17. SEVERABILITY

If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

18. REMEDIES NOT EXCLUSIVE

No remedy herein conferred upon or reserved to County is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

19. NO WAIVER OF DEFAULT

No delay or omission of the parties to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Agreement to the parties shall be exercised from time-to-time and as often as may be deemed expedient in the sole discretion of either party.

20. ENTIRE AGREEMENT AND AMENDMENT

In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

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21. SUCCESSORS AND ASSIGNS

All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

22. CALIFORNIA LAW AND JURISDICTION

This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

23. EXECUTION OF COUNTERPARTS

This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

24. AUTHORITY

All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(s), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, CMHS hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which CMHS is obligated, which breach would have a material effect hereon.

25. SURVIVAL

All provisions of this Agreement which by their nature are intended to survive the termination or expiration of this Agreement shall survive such termination or expiration.

26. PRECEDENCE

In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the Exhibits shall prevail over those in the numbered sections.

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27. COMPLIANCE WITH HIPAA

CMHS is expected to adhere to Health Insurance Portability and Accountability Act (HIPAA) regulations and to develop and maintain comprehensive patient confidentiality policies and procedures, provide annual training of all students and residents, and any other staff participating in this agreement regarding those policies and procedures, and demonstrate reasonable effort to secure written and/or electronic data. The parties should anticipate that this Agreement will be modified as necessary for full compliance with HIPAA.

28. COURT APPEARANCES.

Upon request, CMHS shall cooperate with County in making available necessary witnesses for court hearings and trials, including CMHS's students and residents that have provided treatment to a County client who is the subject of a court proceeding. County shall issue subpoenas for the required witnesses upon request of CMHS.

AGREEMENT

Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **Community Memorial Health System**.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by COUNTY.

ATTEST:
MONA MIYASATO, COUNTY EXECUTIVE
OFFICER, CLERK OF THE BOARD

By: _____
Deputy Clerk

Date: _____

MICHAEL C. GHIZZONI
COUNTY COUNSEL

By _____
Deputy County Counsel

RECOMMENDED FOR APPROVAL :
DEPARTMENT OF BEHAVIORAL HEALTH
ALICE A. GLEGHORN, PH.D.
DIRECTOR

By _____
Director
Date: _____

AGREED:

LESLIE LUNDT, M.D.
PHF DIRECTOR

By: _____
Teaching Physician

COUNTY OF SANTA BARBARA

By: _____
PETER ADAM, CHAIR
BOARD OF SUPERVISORS
Date: _____

APPROVED AS TO ACCOUNTING FORM:
THEODORE A. FALLATI, CPA
AUDITOR-CONTROLLER

By _____
Deputy

APPROVED AS TO INSURANCE FORM:
RAY AROMATORIO
RISK MANAGER

By: _____

AGREEMENT

Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **Community Memorial Health System**.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by COUNTY.

COMMUNITY MEMORIAL HEALTH SYSTEM

COMMUNITY MEMORIAL HEALTH SYSTEM

By: _____
Gary K. Wilde
CEO and President

By: _____
Samuel Small, D.O.
Chief of Graduate Medical Education

EXHIBIT A

Teaching Physician Responsibilities Community Memorial Health System Department of Medical Education

COMMUNITY MEMORIAL HEALTH SYSTEM, a California nonprofit public health benefit corporation (CMHS) and Santa Barbara County (County), hereby agree to establish a cooperative program with Community Memorial Health System's Residency Program. The purpose of this affiliation is to provide Community Memorial Health System's residents physicians (Residents) experience in the field of Behavioral Health.

County, through its Teaching Physician, shall provide the CMHS Residents assigned to it with a variety of clinical education experiences as determined by CMHS' Program Director consistent with the requirements of the American Osteopathic Association (AOA), available at: <http://www.osteopathic.org/inside-aoa/Education/postdoctoral-training/Pages/general-requirements-and-policy.aspx>.

The Teaching Physician plays a vital role in the educational programs of the Medical Education Department at Community Memorial Health System (CMHS). The Teaching Physician sets the academic tone of the rotation and is key in providing the leadership and direction that are vital to the success of our educational program. The Teaching Physician serves as the medical education learner's primary teacher, role model, career advisor.

1. DEFINITIONS:

- A. **TEACHING PHYSICIAN:** The Medical Director of the County's Psychiatric Health Facility (PHF), who shall oversee students and residents while at PHF, in accordance with the requirements of Section 2.
- B. **RESIDENT:** A person who has completed medical school, and has received a medical degree (usually either a M.D., D.O.).

For Residents, Teaching Physicians are paid hourly, up to a maximum of 5 hours per week. The amount per hour is \$97, based on the Medical Group Management Association (MGMA) average per specialty, in compliance with Centers for Medicare and Medicaid Services (CMS) guidelines (for "Didactic Teaching"), available at: <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Download/Teaching-Physicians-Fact-Sheet-ICN006437.pdf>.

**CMS does not permit an hour-per-hour reimbursement for every hour the Resident and Teaching Physician are providing care.*

- C. **TRAINEE:** A Resident assigned to County's Psychiatric Health Facility for a psychiatric rotation.

EXHIBIT A

Teaching Physician Responsibilities Community Memorial Health System Department of Medical Education

2. TEACHING PHYSICIAN'S RESPONSIBILITIES

- A. Psychiatry Rotation. Teaching Physician shall train Residents ("Trainee(s)") assigned to the CMHS Psychiatry rotation ("Rotation"). Each Trainee will be assigned the Rotation for a one-month period. Teaching Physician shall not cause Trainees to work more than eighty (80) hours per seven (7) day work week in accordance with the AOA and Accreditation Council for Graduate Medical Education (ACGME) Post Graduate Guidelines available at: http://www.acgme.org/Portals/0/PDFs/ab_ACGMEPoliciesProcedures.pdf . Teaching Physician shall complete a written evaluation for each Trainee at the end of the Rotation. To receive a satisfactory evaluation for the Rotation, residents must complete their medical records and resolve any delinquencies prior to the end of their assigned rotation.
- B. Schedule. Teaching Physician may be assigned to teach the whole Rotation, or a portion of the Rotation, as mutually agreed upon with CMHS. Teaching Physician shall be available to teach and supervise Trainees for his/her assigned portion of the Rotation. Teaching Physician shall devote sufficient time to the Rotation to fulfill his/her supervisory and teaching responsibilities and to demonstrate a strong interest in the education of Trainees.
- C. Curriculum. Teaching Physician shall be responsible for providing input in developing a Rotation curriculum that: (a) encompasses both didactic instruction in the basic and clinical sciences of Psychiatry diseases and conditions, and education in procedural skills and operative techniques; (b) provides each Trainee with training in the basic core competencies for Psychiatry; (c) ensures each Trainee acquires an introduction in the recognition and management of Psychiatry medical problems; (d) complies with CMHS Medical Staff rules and regulations, policies and procedures, including, but by no means limited to, ACGME policies and procedures.
- D. Supervision. Teaching Physician must provide the appropriate level of clinical supervision for each Trainee who engages in patient care and/or medical procedures during the Rotation as required by law and in accordance with applicable CMHS Medical Staff rules and regulations, policies and procedures, including, but by no means limited to, ACGME policies and procedures regarding supervision.
- E. Medical Staff Membership; Maintenance of Professional Standards. Teaching Physician shall be approved for and maintain membership and appropriate clinical privileges on the CMHS Medical Staff and shall maintain professional competence and skills commensurate with the professional standards of the community, and as required by law, by attending and participating in approved continuing education courses, at no expense to CMHS.
- F. Maintenance of Licensing and Board Certification. Teaching Physician hereby represents and warrants that he/she is currently licensed and practicing medicine in the State of California and is board certified in Psychiatry. Teaching Physician shall maintain in good standing such licensure and certification.
- G. Enrollment in the Medicare Program; Drug Enforcement Agency ("DEA") Numbers. Teaching Physician hereby represents and warrants that he/she is currently enrolled with, and will maintain a provider number in the Medicare program, and a federal DEA number.
- H. Training Materials and Reports. Teaching Physician shall complete reports and other documentation in accordance with CMHS policies and procedures.

EXHIBIT A

Teaching Physician Responsibilities Community Memorial Health System Department of Medical Education

- I. Standards; Laws. When dealing with residents, Teaching Physician shall abide by the Department of Health and Human Services “Guidelines for Teaching Physicians, Interns, and Residents” available at: <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/Teaching-Physicians-Fact-Sheet-ICN006437.pdf> . Teaching Physicians shall at all times during this Agreement comply with: (a) all applicable CMHS Medical Staff bylaws, rules and regulations, CMHS policies and procedures, including, but by no means limited to, the Code of Conduct and Compliance Program; and (b) all applicable standards set forth by law or ordinance or established by the rules and regulations of any federal, state or local agency, department, commission, association or other pertinent governing, accrediting or advisory body, including Det Norske Veritas (a freestanding, autonomous, and independent foundation whose purpose is to safeguard life, property and the environment; more information is available here: <http://www.detnorskeveritas.com/>), having authority to set standards for health care facilities. Note: Copies of the CMHS Code of Conduct and Medical Staff bylaws are available upon request at the CMHS Graduate Medical Education Program office.

The duties of the Teaching Physician are both academic and administrative in scope. The major academic and administrative duties are outlined as follows:

2.1 ACADEMIC DUTIES

- A. Provide teaching and supervision to those Residents specifically assigned to the County’s Psychiatric Health Facility. Orient Trainee(s) to the structure, requirements, and personal expectations on the first day of each Trainee’s Rotation.
- B. Monitor and evaluate Trainee’s performance and participate in the final evaluation of each Trainee. Participate in spot checks of the progress notes, orders, bedside evaluations, write-ups, and assessments for Trainees assigned to the rotation.
- C. Participate in any remediation plans for the Trainees in academic difficulty in conjunction with the Trainee
- D. Participate in the curriculum development designed to improve the rotation content and assist in the development and quality of the electives experience through the Medical Education Department at CMHS. Curriculum developed under this agreement shall remain the exclusive property of CMHS.
- E. Serve as role model for the professional development of the Trainee by setting the tone for professional and ethical behavior as established in the CMHS Medical Staff By-laws and Code of Conduct.

2.2 ADMINISTRATIVE DUTIES

- A. Attend Teaching Physician and meetings.
- B. Attend meeting regarding evaluation and curriculum development
- C. Ensure that rotation objectives are met (e.g., lectures distribution of materials, identification of training material).
- D. Participate in meetings with the Program Director and Director of Medical Education that involves the learner’s performance.

EXHIBIT A

Teaching Physician Responsibilities Community Memorial Health System Department of Medical Education

The above are intended to be illustrative of the many responsibilities required and should not be interpreted to describe all the duties this position may be required to perform.

3. CMHS'S RESPONSIBILITIES

- A. Scheduling and Coordination of Services. CMHS shall schedule and coordinate the Rotation, subject to Teaching Physician's schedule.
- B. Prior to start of rotation, CMHS shall complete a Student Support Agreement with County for each Trainee assigned to the psychiatry rotation at the PHF.
- C. Insurance.
 - I. Trainees. CMHS will be responsible for ensuring Trainees have adequate insurance coverage.

EXHIBIT B

PAYMENT ARRANGEMENTS Periodic Compensation

1. Compensation amount
 - A. For each Rotation, CMHS shall compensate Teaching Physician for his/her teaching services as follows:
 - i. The monthly stipend will be \$1933.60. Based on a four (4) week rotation, the amount for FY 16-17 is \$21,269.60.
 - B. In the event Teaching Physician is unable to perform her duties due to sickness, compensation will be adjusted to reflect hours performed accordingly.
2. Payment for Teaching Physician services shall be based upon the Statement of Work as described in Exhibit A.
3. Invoices.
 - A. CMHS will pay Teaching Physician within thirty (30) days of receiving a completed teaching invoice form from Teaching Physician.
 - B. Billing and Collections. In order to receive compensation for teaching services, Teaching Physician shall submit a teaching invoice form (form available at the CMHS Graduate Medical Education Program office) to CMHS on a quarterly basis. Teaching Physician shall be solely responsible for billing his/her professional fees and other charges made with respect to professional services rendered by Teaching Physician during the term of this Agreement. Teaching Physician is responsible for complying with applicable Centers for Medicare & Medicaid Services (CMS) and other billing requirements for teaching physicians.
 - C. Payment Remittance. All payments should be remitted with a copy of the invoice to the following address:

Santa Barbara County
Department of Behavioral Wellness
Attn: Accounts Receivable
300 N. San Antonio Road Bldg. 3
Santa Barbara, CA 93110

EXHIBIT B-1
Schedule of Rates

FY 16-17 Total Maximum Amount	\$21,296.60
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EXHIBIT C
INDEMNIFICATION AND INSURANCE REQUIREMENTS
(FOR THIS CONTRACT ONLY)

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

CMHS shall notify County immediately in the event of any accident or injury arising out of or in connection with this Agreement.

INSURANCE

CMHS shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by CMHS, its agents, representatives, employees or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
2. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
3. **Professional Liability** (Errors and Omissions) Insurance appropriate to CMHS's profession, with limit of no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

If CMHS maintains higher limits than the minimums shown above, the County requires and shall be entitled to coverage for the higher limits maintained by CMHS. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Primary Coverage** – For any claims related to this Agreement, CMHS's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents or volunteers shall be excess of CMHS's insurance and shall not contribute with it.
2. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the County.
3. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the County. The County may require CMHS to purchase coverage with a lower deductible or retention or provide

EXHIBIT C
INDEMNIFICATION AND INSURANCE REQUIREMENTS
(FOR THIS CONTRACT ONLY)

proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

4. **Acceptability of Insurers** – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".
5. **Verification of Coverage** – CMHS shall furnish the County with proof of insurance, original certificates as required by this Agreement. The proof of insurance, certificates are to be received and approved by the County before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive CMHS's obligation to provide them. CMHS shall furnish evidence of renewal of coverage throughout the term of the Agreement. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
6. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, County has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by County as a material breach of contract.
7. **Subcontractors** – CMHS shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and CMHS shall ensure that County is an additional insured on insurance required from subcontractors.
8. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made basis:
 - i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
 - iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, CMHS must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.
9. **Special Risks or Circumstances** – County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. CMHS agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of County to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of County.