

AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

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 FOUNDATION OF SANTA BARBARA REGIONAL HEALTH AUTHORITY, INC, dba Doorway to Health (referred to herein as "DTH"), a California non-profit corporation, under which the County of Santa Barbara shall pay DTH having its principal place of business at 110 Castilian Drive (hereafter CONTRACTOR) wherein CONTRACTOR agrees to provide and COUNTY agrees to accept the services specified herein.

RECITALS

WHEREAS, DTH is supported by various public entities in Santa Barbara County and funds for the project have been designated by various public entities, in an effort to ensure health insurance for the children in Santa Barbara County;

WHEREAS, the County of Santa Barbara desires to make health care available to uninsured and under-insured children from birth through 18 years of age residing within the County of Santa Barbara; and

WHEREAS, DTH holds agreements with Delta Dental, Vision Service Plan (VSP), and the Santa Barbara Regional Health Authority for dental, vision, and medical managed care services for children residing in Santa Barbara County.

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

1. **DESIGNATED REPRESENTATIVE.** Pat Wheatley phone number (805) 884-8085 is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. Kashina Bishop at phone number (805) 685-9525 ext. 1074 is the authorized representative for CONTRACTOR. 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 first class mail, postage prepaid, or otherwise delivered as follows:

To COUNTY: First 5 Santa Barbara County
Patricia Wheatley, Executive Director
1 E. Anapamu, Suite 200
Santa Barbara, CA 93101

To CONTRACTOR: Foundation of Santa Barbara Regional Health Authority
dba Doorway to Health
Attn Kashina Bishop
110 Castilian Drive
Goleta, Ca 93117

or at such other address or to such other person that the parties may from time to time designate. Notices and consents under this section, which are sent by mail, shall be deemed to be received five (5) days following their deposit in the U.S. mail.

3. **SCOPE OF SERVICES.** CONTRACTOR agrees to provide services to COUNTY in accordance with EXHIBIT A attached hereto and incorporated herein by reference.

4. **TERM.** CONTRACTOR shall commence performance on July 1 2008 and end performance upon completion, but no later than June 30, 2009 unless otherwise directed by COUNTY or unless earlier terminated.

5. **COMPENSATION OF CONTRACTOR.** CONTRACTOR shall be paid for performance under this Agreement in accordance with the terms of EXHIBIT B attached hereto and incorporated herein by reference. Billing shall be made by invoice, which shall include the contract number assigned by COUNTY and which is delivered to the address given in Section 2 **NOTICES.** above following completion of the increments identified on EXHIBIT B. Unless otherwise specified on EXHIBIT B, payment shall be net thirty (30) days from presentation of invoice.

6. **INDEPENDENT CONTRACTOR.** CONTRACTOR shall perform all of its services under this Agreement as an independent contractor and not as an employee of COUNTY. CONTRACTOR understands and acknowledges that it shall not be entitled to any of the benefits of a COUNTY employee, including but not limited to vacation, sick leave, administrative leave, health insurance, disability insurance, retirement, unemployment insurance, workers' compensation and protection of tenure.

7. **STANDARD OF PERFORMANCE.** CONTRACTOR represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement. Accordingly, CONTRACTOR shall perform all such services in the manner and according to the standards observed by a competent practitioner of the same profession in which CONTRACTOR is engaged. All products of whatsoever nature, which CONTRACTOR delivers to COUNTY pursuant to this Agreement, shall be prepared in a first class and workmanlike manner and shall conform to the standards of quality normally observed by a person practicing in CONTRACTOR's profession. CONTRACTOR shall correct or revise any errors or omissions, at COUNTY'S request without additional compensation. Permits and/or licenses shall be obtained and maintained by CONTRACTOR without additional compensation.

8. **TAXES.** COUNTY shall not be responsible for paying any taxes on CONTRACTOR's behalf, and should COUNTY be required to do so by state, federal, or local taxing agencies, CONTRACTOR agrees to promptly reimburse COUNTY for the full value of such paid taxes plus interest and penalty, if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance.

9. **CONFLICT OF INTEREST.** CONTRACTOR covenants that CONTRACTOR presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by CONTRACTOR.

10. **RESPONSIBILITIES OF COUNTY.** COUNTY shall provide all information reasonably necessary by CONTRACTOR in performing the services provided herein.

11. **OWNERSHIP OF DOCUMENTS.** COUNTY shall be the owner of the following items incidental to this Agreement upon production, whether or not completed: all data collected, all documents of any type whatsoever, 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. CONTRACTOR shall not release any materials under this section except after prior written approval of COUNTY.

No materials produced in whole or in part under this Agreement shall be subject to copyright in the United States or in any other country except as determined at the sole discretion of COUNTY. COUNTY shall have the unrestricted authority to publish, disclose, distribute, and other use in whole or in part, any reports, data, documents or other materials prepared under this Agreement.

12. **RECORDS, AUDIT, AND REVIEW.** CONTRACTOR shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of CONTRACTOR's

profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. COUNTY shall have the right to audit and review all such documents and records at any time during CONTRACTOR's regular business hours or upon reasonable notice.

13. **INDEMNIFICATION AND INSURANCE.** CONTRACTOR shall agree to defend, indemnify and save harmless the COUNTY and to procure and maintain insurance in accordance with the provisions of EXHIBIT C attached hereto and incorporated herein by reference.

14. **NONDISCRIMINATION.** COUNTY hereby notifies CONTRACTOR that COUNTY's 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 CONTRACTOR agrees to comply with said ordinance.

15. **NONEXCLUSIVE AGREEMENT.** CONTRACTOR understands that this is not an exclusive Agreement and that COUNTY shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by CONTRACTOR as the COUNTY desires.

16. **ASSIGNMENT.** CONTRACTOR shall not assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of COUNTY and any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

17. **TERMINATION.**

A. **By COUNTY.** COUNTY may, by written notice to CONTRACTOR, terminate this Agreement in whole or in part at any time, whether for COUNTY's convenience or because of the failure of CONTRACTOR to fulfill the obligations herein. Upon receipt of notice, CONTRACTOR shall immediately discontinue all services effected (unless the notice directs otherwise), and deliver to COUNTY all data, estimates, graphs, summaries, reports, and all other records, documents or papers as may have been accumulated or produced by CONTRACTOR in performing this Agreement, whether completed or in process.

1. For Convenience. COUNTY may terminate this Agreement upon thirty (30) days written notice. Following notice of such termination, CONTRACTOR shall promptly cease work and notify COUNTY as to the status of its performance.

Notwithstanding any other payment provision of this Agreement, COUNTY shall pay CONTRACTOR for service performed to the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall CONTRACTOR be paid an amount in excess of the full price under this Agreement nor for profit on unperformed portions of service. CONTRACTOR shall furnish to COUNTY such financial information as in the judgment of COUNTY is necessary to determine the reasonable value of the services rendered by CONTRACTOR. In the event of a dispute as to the reasonable value of the services rendered by CONTRACTOR, the decision of COUNTY shall be final. The foregoing is cumulative and shall not effect any right or remedy which COUNTY may have in law or equity.

2. For Cause. Should CONTRACTOR default in the performance of this Agreement or materially breach any of its provisions, COUNTY may, at COUNTY's sole option, terminate this Agreement by written notice, which shall be effective upon receipt by CONTRACTOR.

B. **By CONTRACTOR.** Should COUNTY fail to pay CONTRACTOR all or any part of the payment set forth in EXHIBIT B, CONTRACTOR may, at CONTRACTOR's option terminate this

agreement if such failure is not remedied by COUNTY within thirty (30) days of written notice to COUNTY of such late payment.

18. **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.

19. **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.

20. **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.

21. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement and each covenant and term is a condition herein.

22. **NO WAIVER OF DEFAULT.** No delay or omission of COUNTY 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 COUNTY shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of COUNTY.

23. **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.

24. **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.

25. **COMPLIANCE WITH LAW.** CONTRACTOR shall, at his sole cost and expense, comply with all County, State and Federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of CONTRACTOR in any action or proceeding against CONTRACTOR, whether COUNTY be a party thereto or not, that CONTRACTOR has violated any such ordinance or statute, shall be conclusive of that fact as between CONTRACTOR and COUNTY.

26. **CALIFORNIA LAW.** 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.

27. **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.

28. **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(ies), 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, CONTRACTOR hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which CONTRACTOR is obligated, which breach would have a material effect hereon.

29. **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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Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **Foundation of Santa Barbara Regional Health Authority dba Doorway to Health**

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

COUNTY OF SANTA BARBARA

By: _____
Chair, Board of Supervisors

Date: _____

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD


CONTRACTOR
Foundation of Santa Barbara Regional Health Authority
dba Doorway to Health

By: _____
Deputy

By:  _____

APPROVED AS TO FORM:
DENNIS A. MARSHALL
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
ROBERT W GEIS, CPA
AUDITOR-CONTROLLER

By:  _____
Deputy County Counsel

By:  _____
Deputy

APPROVED AS TO FORM:
RAY AROMATORIO
RISK PROGRAM ADMINISTRATOR

By:  _____
Risk Program Administrator

EXHIBIT A

STATEMENT OF WORK

I. Purpose/Term

The purpose of this Agreement is for CONTRACTOR to provide Health Insurance for uninsured children ages 0 – 18 residing in Santa Barbara County with family incomes under 300% of the Federal Poverty Level , who do not qualify for Medi-Cal or Healthy Families.

The term of this Agreement is from date of contract execution, and no sooner than July 1, 2008 through June 30, 2009.

II. Background:

The Foundation of the Santa Barbara Regional Health Authority (SBRHA) dba *Doorway to Health* was established in August 2002. *Doorway to Health* is a 501(c)(3) with its own Board of Directors. *Doorway to Health* has provided the fiscal and administrative oversight of the Healthy Kids insurance product since 2005. The Santa Barbara Children's Health Initiative (CHISB) was formed in response to 1999 data showing Santa Barbara County as having the highest percentage of uninsured children, approximately 17,000 in California. CHISB is a group of concerned individuals and organizations who see a great need for health insurance for underserved kids in the county. The goal of this group is to ensure that children in Santa Barbara County have access to quality health coverage through maximizing enrollment in existing programs and the creation of a new comprehensive health care coverage program, Healthy Kids Santa Barbara (HKSB).

HKSB was launched in November 2005 with funding for premiums from First 5 Santa Barbara, California Endowment, Wellness Foundation and Tobacco Settlement (TSAC) dollars. HKSB insures children (0-18) who reside in Santa Barbara County, are uninsured at the time of enrollment for at least 3 months with family income under 300% of the Federal Income Guidelines. There is no US Citizenship requirement. To date there are 1209 children enrolled in the Healthy Kids Insurance program.. It is estimated that there are 5,000 – 7,000 children eligible for the Healthy Kids Insurance program.

Through the Enrollment Calculator for HKSB, all children screened for HKSB are simultaneously screened for eligibility in Medi-Cal (MC)and Healthy Families (HF). For every 100 children determined eligible, 60 of the children are enrolled in the existing state programs and 40 are enrolled in HKSB. This means that the impact of eligibility screening for Healthy Kids was more far reaching than just those 530 children currently enrolled. The CHISB, led by SBRHA provided trainings to certify individuals and agencies to assist families in applying for subsidized health insurance for their children. Sixty-one Certified Application Assistors (CAAs) have been trained to date. In Santa Barbara County, it is estimated that approximately 6,000 children are eligible for Healthy Kids insurance based on Santa Barbara County Department of Social Services January 2007 data.

Healthy Kids health insurance has been shown to have a positive impact on improving and maintaining child health. The 2006-07 evaluation of the Santa Clara County Children's Health Initiative has revealed several positive outcomes related to children being enrolled in Healthy Kids. By ensuring that children receive needed medical and dental care on a timely basis, health insurance coverage can provide some immediate benefits to their health. Healthy Kids insurance also significantly improved children's access and use of dental care, reduced their unmet health needs, and raised parents' confidence that their children could receive needed care. Even among those children who enrolled for a non-specific medical reason, Healthy Kids led to significant improvements in health and significantly reduced the number of missed school days.

As a result of our county being among the top 20 counties in the State with the highest percentage of uninsured children, Santa Barbara County applied for and received a California Department of Public Health Outreach, Enrollment, Retention and Utilization (OERU) allocation to increase the number of local children enrolled

in Medi-Cal and Healthy Families. The OERU project was designed to expand on the previous outreach and enrollment efforts by building capacity within the existing network and developing new strategies to more effectively keep children in insurance programs enrolled and properly utilizing services. The main tasks ranged from increasing the number of enrollment sites and trained Certified Application Assistants (CAAs), performing ongoing training, building cross-organizational networks, tracking member disenrollment and reasons, and educating parents and community organizations about available benefits and proper utilization of those benefits. This allocation allowed for the hiring of a CHI Program Manager to coordinate outreach efforts, program administration and subcontracting with area Family Resource Centers to conduct outreach, retention and utilization activities but was eliminated by the State effective July 1, 2007. Through additional funding from the SB Regional Health Authority, the CHI Program Manager is also able to address these same issues for Healthy Kids and raise money to support the goals of the CHISB. However, funding for financial program administration and evaluation is needed for Healthy Kids.

III. Program Summary

County is contracting with Doorway to Health to identify and enroll children in the Healthy Kids program, which will provide medical, vision, and dental coverage. County funding will pay for premiums for 638 children, infrastructure support and evaluation. Specifically this funding would increase the programs capacity to monitor premium funding, member enrollment and disenrollment, and expand current OERU strategies to include HKSB.

IV. Evaluation

The Program Manager for the Children’s Health Initiative of Santa Barbara County will furnish a comprehensive evaluation based on the work of Diringer & Associates (D&A), a central California health-consulting firm that designed and conducted a complete evaluation of the entire Children’s Health Initiative outcomes and activities in 2007-08. D&A has been a technical assistance provider to a number of county children’s health initiatives, including Santa Barbara County, and specializes in evaluations of community-based access programs. Evaluation results will be reviewed with the Collaborative quarterly to allow for continuous flow of information. The evaluation will include;

- Analysis of changes in enrollment in coverage programs by geographic area and age
- Analysis of retention of health coverage for those assisted by CAAs
- Analysis of health care utilization measure for children assisted by CAA including SBRHA’s Medi-Cal, Healthy Families and Healthy Kids programs and dental plans

V. Collection and Use of Data

CHISB plans to continue to explore the possible expansion of the GEMS data base system to include OERU efforts. This database is currently being used by agencies that have First 5 funded programs. Periodic evaluation reports will be prepared by staff and presented to the CHISB. Staff analysis, along with CHISB feedback, will determine what changes need to be taken in the provision of services to improve the outcomes in any of the focus areas.

VI. Scope of work

Name of Agency	Doorway to Health (aka Foundation of Santa Barbara Regional Health Authority, Inc.)
Name of Program	Healthy Kids Santa Barbara
Type of Service	Provide comprehensive health coverage to uninsured children
Target Population	Uninsured children ages 0 to18 residing in Santa Barbara County with family incomes under 300% of the Federal Income Guidelines, who do not have access to affordable healthcare nor

	qualify for Medi-Cal, Healthy Families, or other publicly-subsidized programs. Estimated to be 6,000 children.
Program Description/ Services to be provided	Santa Barbara County is contracting with Doorway to Health to identify and enroll children in the Healthy Kids program, which will provide medical, vision, and dental coverage. County funding will pay for premiums for 638 children, infrastructure support and evaluation . Specifically this funding would increase the programs capacity to monitor premium funding, member enrollment and disenrollment, and expand current OERU strategies to include HKSB.. Santa Barbara County General Fund. The anticipated start date of coverage is July 1ST nd , 2008.
Number of unduplicated clients to be served	638 The annual premium per child is estimated to be \$1346.
Staffing Description	Children's Health Initiative Program Manager
Location(s) where services will be provided	110 Castilian Drive Goleta, CA 93117
Dates/Times services to be provided	Monday through Friday, 8am to 5pm
Contract Period	Fiscal Year July 2008- June 2009-
Performance Measures and Due Dates	
1. /01/08	Coverage begins. Coverage period is one year.
2. 07/25/08	First monthly premium prepayment is due to SBRHA for medical coverage. Premiums payable for the next month must be received on or before the 25 th day of the prior month.
3. 07/25/08	First monthly premium prepayment is due to VSP for vision coverage. Premiums payable for the next month must be remitted by the last day of the prior month.
4. 7/25/08	First monthly premium payment is due to Delta Dental for dental coverage. Monthly premium payments must be postmarked by the fifth day of each month following the month of service.

Reporting Requirements	MONTHLY REPORTS ARE DUE THE 5TH OF THE MONTH. SUBMIT MONTHLY REPORTS VIA EMAIL TO: wmoten@co.santa-barbara.ca.us
invoicing Requirements	INVOICES FOR SERVICES MUST BE SUBMITTED NO MORE FREQUENTLY THAN MONTHLY. INVOICE MUST BE ON AGENCY

LETTERHEAD AND MUST INCLUDE YOUR CONTRACT NUMBER
INVOICES WILL NOT BE PAID UNTIL THE REQUIRED ENROLLMENT
REPORTS HAVE BEEN RECEIVED AND APPROVED FIRST 5 STAFF.

EXHIBIT B

**PAYMENT ARRANGEMENTS
Periodic Compensation**

- A. For CONTRACTOR services to be rendered under this contract, CONTRACTOR shall be paid a total contract amount, including cost reimbursements, not to exceed \$1,000,000.00.
- B. Payment for services and /or reimbursement of costs shall be made upon CONTRACTOR's satisfactory performance, based upon the scope and methodology contained in **EXHIBIT A** as determined by COUNTY.
- C. **Monthly**, CONTRACTOR shall submit to the COUNTY DESIGNATED REPRESENTATIVE an invoice or certified claim on the County Treasury for the service performed over the period specified. These invoices or certified claims must cite the assigned Board Contract Number. COUNTY REPRESENTATIVE shall evaluate the quality of the service performed and if found to be satisfactory shall initiate payment processing. COUNTY shall pay invoices or claims for satisfactory work within 30 days of presentation.
- D. COUNTY's failure to discover or object to any unsatisfactory work or billings prior to payment will not constitute a waiver of COUNTY's right to require CONTRACTOR to correct such work or billings or seek any other legal remedy.

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/10/08

PRODUCER
Hub Int'l of CA-Reg PRSU Unit
Hub Int'l of CA Ins Serv, Inc.
40 East Alamar Avenue
Santa Barbara, CA 93105

INSURED
Foundation of Santa Barbara Regional
Health Authority, Inc.
110 Castilian Drive
Goleta, CA 93105

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	Nonprofits' Insurance Alliance of CA	999999
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	200815731NPO	06/10/08	06/10/09	EACH OCCURRENCE	\$1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$50,000
						MED EXP (Any one person)	\$5,000
						PERSONAL & ADV INJURY	\$1,000,000
						GENERAL AGGREGATE	\$2,000,000
						PRODUCTS - COMP/OP AGG	\$2,000,000
A		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	200815731NPO	06/10/08	06/10/09	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN EA ACC AGG	\$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE	\$
						AGGREGATE	\$
							\$
							\$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATUTORY LIMITS	OTHER
						E.L. EACH ACCIDENT	\$
						E.L. DISEASE - EA EMPLOYEE	\$
						E.L. DISEASE - POLICY LIMIT	\$
A		OTHER Directors & Officers	200815731DONPO	06/10/08	06/10/09	\$1,000,000 Aggregate	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS


Ref: Funding
 First 5 Children and Families Santa Barbara and County of Santa Barbara are named as Additional Insured under the general liability policy.
 (See Attached Descriptions)

CERTIFICATE HOLDER

CANCELLATION

First 5 Children and Families Commission and The County of Santa Barbara
 1 E. Anapamu Street, #200
 Santa Barbara, CA 93101

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE


IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

DESCRIPTIONS (Continued from Page 1)

10 Day Notice for Non-Payment of Premium

POLICY NUMBER: 200815731NPO

COMMERCIAL
GENERAL LIABILITY

Illinois Union Insurance Company

CG 20 26 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – DESIGNATED
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)
"First 5 Children and Families Commission and The County of Santa Barbara"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- A. In the performance of your ongoing operations; or
- B. In connection with your premises owned by or rented to you.

CG 20 26 07 04

© ISO Properties, Inc., 2004

©ISO Properties, Inc.

Attachment 7
Program Budget

H. Travel				
I. Insurance				
J. Audit	\$ 4,000.00	\$ 5,500.00	3	\$ 9,500.00
K. Training Conferences				
L. Evaluation				
M. Subcontractors	\$ 140,900.00	\$ 55,629.00	2,3	\$196,529.0
N. Other				
Dues (Nonprofit Support Center)	\$ 100.00	\$ 150.00	3	\$ 250.00
First 5 Admin. Oversight**	\$ 5,000.00			\$ 5,000.00
Healthy Kids Ins. Premiums	\$ 850,000.00	\$645,000.00	2,3	\$1,495,000.
	_____	_____	_____	_____

Subtotal –Operating Expenses	<u>\$1,000,000.00</u>	<u>\$706,279.00</u>	<u>\$1,706,279.</u>
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**Due to the way Prop10 is written, there is a need to separate support provided by First 5 for children 6-18 from children 0-5. The cost to First 5 for administering the 6-18 portion of the contract will be reimbursed as part of the 15% approved administrative cost.

Capital Expenditures over \$5,000 (if required for this project)
(Itemize and identify items requested.) Competitive bids may be requested by the Commission prior to contract.

Total Capital Expenditures	0	0	0
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*INDIRECT COSTS

Total Program Costs	<u>\$1,000,000.00</u>	<u>\$706,279.00</u>	<u>\$1,706,279</u>
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<p>**Using the code list below, indicate the source of the marching amount available to support this program.</p>	<p>In-Kind: Please identify any in-kind support that is available to this project (i.e.: Volunteer hours, identify role(s) of volunteers, donated office space or equipment, etc.)</p>												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Source Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Agency General Fund</td> </tr> <tr> <td style="text-align: center;">2</td> <td>Foundation Grant</td> </tr> <tr> <td style="text-align: center;">3</td> <td>Government Grant</td> </tr> <tr> <td style="text-align: center;">4</td> <td>Other</td> </tr> <tr> <td style="text-align: center;">5</td> <td>State/Federal Leveraging</td> </tr> </tbody> </table>	Source Code	Description	1	Agency General Fund	2	Foundation Grant	3	Government Grant	4	Other	5	State/Federal Leveraging	<p>CenCal Health Enrollment/Retention Coordinator 1 FTE and Healthy Kids Premium Billing .5 FTE</p>
Source Code	Description												
1	Agency General Fund												
2	Foundation Grant												
3	Government Grant												
4	Other												
5	State/Federal Leveraging												

Attachment 7
Program Budget

Required for Lead Agency & all Subcontractors for each fiscal year
--

Complete this form for the entire project. If there are subcontractors budgets involved, please submit an additional form for each. Identify the subcontractor, and the line items involved in each subcontract.

Agency Name: Foundation of the Santa Barbara Regional Health Authority dba Doorway to Health

(Please check the appropriate box)
 Prime Contractor's budget
 Subcontractor's budget
Santa Barbara County Education Office

Program Name: Children's Health Initiative of Santa Barbara County 7.8.08

Budget Period *(Please check the appropriate box)*

- July 1, 2006 – June 30, 2007
- July 1, 2007 – June 30, 2008
- July 1, 2008 – June 30, 2009

I. PERSONNEL							
	<u>Position Title</u>	<u>Salary Range</u>	<u>FTE</u>	<u>Amount Requested from Santa Barbara County</u>	<u>Matching Amount Available</u>	<u>** Source Code</u>	<u>Total Project Budget</u>
A.	CHI Program Manager	64,404	1	\$46,561.00	\$17,843.00	3	\$64,404.00
B.	CHISB Health Advocate	32,788	.875	\$21,485.00	\$11,303.00	2	\$32,788.00
C.	CHISB Health Advocate	16,010	.44	\$ 10,491.00	\$ 5,519.00	2	\$16,010.00
D.							
E.							
F.							

Benefits@	%			
Benefits@ various %			\$45,540.00	\$20,964.00
Sub Total-Personnel			\$124,077.00	\$55,629.00
				\$179,706.0

II. OPERATING EXPENSES				
A.	Rent and Utilities			\$ 2,500.00
B.	Office Supplies and Materials	\$ 540.00		\$ 500.00
C.	Telephone/Communications			5
D.	Postage/Mailing			
E.	Reproduction/Copying	\$ 500.00		\$ 500.00
F.	Printing			
G.	Equipment Lease/Equipment			

Attachment 7
Program Budget

H. Travel	\$ 2,500.00	\$ 2,421.00	5	\$4,921.00
I. Insurance				
J. Audit				
K. Training Conferences				
L. Evaluation				
M. Subcontractors				
N. Other: Computer Services	\$ 150.00	\$ 400.00	5	\$ 550.00
Outreach Materials	\$ 1,200.00			\$1,200.00
Meeting Costs	\$ 288.00			\$ 288.00
Cell Phones	\$ 825.00			\$ 825.00
Landline Phones		\$ 500.00	5	\$ 500.00

Subtotal –Operating Expenses	<u>\$ 6,003.00</u>	<u>\$6,321.00</u>	<u>5</u>	<u>\$12,324.00</u>
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Capital Expenditures over \$5,000 (if required for this project)
(Itemize and identify items requested.) Competitive bids may be requested by the Commission prior to contract.

Total Capital Expenditures	<u>0</u>	<u>0</u>	<u>—</u>	<u>0</u>
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*INDIRECT COSTS	<u>\$10,820.00</u>	<u>\$5,454.00</u>		<u>\$16,274.00</u>
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Total Program Costs	<u>\$140,900.00</u>	<u>\$67,404.00</u>		<u>\$208,304.00</u>
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<p>**Using the code list below, indicate the source of the marching amount available to support this program.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 20%;">Source Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Agency General Fund</td> </tr> <tr> <td style="text-align: center;">2</td> <td>Foundation Grant</td> </tr> <tr> <td style="text-align: center;">3</td> <td>Government Grant</td> </tr> <tr> <td style="text-align: center;">4</td> <td>Other</td> </tr> <tr> <td style="text-align: center;">5</td> <td>State/Federal Leveraging</td> </tr> </tbody> </table>	Source Code	Description	1	Agency General Fund	2	Foundation Grant	3	Government Grant	4	Other	5	State/Federal Leveraging	<p>In-Kind: Please identify any in-kind support that is available to this project (i.e.: Volunteer hours, identify role(s) of volunteers, donated office space or equipment, etc.)</p> <p style="margin-top: 20px;">In-kind office space in Santa Barbara and Santa Maria offices, and land-line telephone and utilities.</p>
Source Code	Description												
1	Agency General Fund												
2	Foundation Grant												
3	Government Grant												
4	Other												
5	State/Federal Leveraging												

**VISION SERVICE PLAN
PLEASE ATTACH TO YOUR AGREEMENT**

REVISION TO VISION CARE AGREEMENT

That Vision Care Coverage Agreement ("Agreement") made and entered into on the 1st day of November, 2005 between **Foundation of Santa Barbara Regional Health Authority, Inc. d/b/a Doorway to Health** ("CUSTOMER") and **Vision Service Plan** ("VSP").

EXCEPT as specifically amended herein, said Agreement shall remain in full force and effect.

IT IS HEREBY AGREED that effective January 1, 2007, the Group Vision Care Agreement shall be amended as attached hereto.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized representatives as of the dates set forth below.

FOUNDATION OF SANTA BARBARA REGIONAL HEALTH AUTHORITY, INC. d/b/a DOORWAY TO HEALTH

VSP

By: Robert S. Freeman

By: _____

Name: Robert S. Freeman

Name: Gary N. Brooks

Title: Chair

Title: Senior Vice President, Operations

Date: 6/14/07

Date: March 26, 2007

EXHIBIT C
SCHEDULE OF COPAYMENT AND PREMIUMS

COPAYMENT

PREMIUM

\$5.00 Exam Copayment
\$5.00 Materials Copayment

\$0.96 PER COVERED PERSON PER MONTH

Said rate shall be guaranteed for a term of eleven (11) months through November 30, 2007.

COPY



IN REPLY REFER TO:
FILE NO: 933-0400

June 22, 2000

Robert S. Freeman
Deputy Executive Director
Santa Barbara Regional Health Authority
110 Castilian Drive
Goleta, CA 93117-3028

Re: Application for Knox-Keene Licensure to Participate in Healthy Families Program; Order Approving Request for Exemption from Requirement of Section 1374.72 to Provide SED Services to Children

Dear Mr. Freeman:

Enclosed please find a Knox-Keene license which enables Santa Barbara Regional Health Authority (the "Plan") to participate in the Healthy Families Program in Santa Barbara County through its agreement with the Managed Risk Medical Insurance Board. Please also find enclosed an Order Pursuant to Section 1343(b) of the Health and Safety Code, approving the Plan's request for exemption from the requirement of Section 1374.72 to provide SED services to Healthy Families enrollees.

The license applies solely to the Plan's Healthy Families business and is issued subject to the Plan's compliance with all undertakings submitted.

Should you have any questions regarding the enclosed, please contact me.

Yours truly,

A handwritten signature in cursive script that reads "Laurie E. Dods".

Laurie E. Dods
Corporations Counsel

Attachments

cc: Maria Marquez

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

NONTRANSFERABLE

LICENSE
HEALTH CARE SERVICE PLAN

File No. 933-0400

Licensee: SANTA BARBARA REGIONAL HEALTH AUTHORITY
110 Castilian Drive
Goleta, California 93117-3028

IS HEREBY LICENSED AS A FULL SERVICE HEALTH CARE SERVICE PLAN
PURSUANT TO THE PROVISIONS OF THE KNOX-KEENE HEALTH CARE SERVICE
PLAN ACT OF 1975, AS AMENDED, ("ACT") AND IS AUTHORIZED TO ENGAGE IN
BUSINESS AS A FULL SERVICE HEALTH CARE SERVICE PLAN TO OFFER SERVICES
TO ENROLLEES IN THE HEALTHY FAMILIES PROGRAM THROUGH THE
LICENSEE'S CONTRACT WITH THE MANAGED RISK MEDICAL INSURANCE BOARD
IN THE STATE OF CALIFORNIA IN THE COUNTY OF SANTA BARBARA SUBJECT TO
THE PROVISIONS OF THE ACT AND THE RULES OF THE COMMISSIONER OF
CORPORATIONS ADOPTED PURSUANT THERETO, UNTIL SUCH TIME AS THIS
LICENSE IS SUSPENDED OR REVOKED BY ORDER OF THE COMMISSIONER, OR IS
SURRENDERED.

THE LICENSE IS ISSUED AND EFFECTIVE ON THE DATE APPEARING BELOW.

Dated: June 22, 2000
Los Angeles, California

WILLIAM KENEFICK
Acting Commissioner of Corporations

By: Barbara H. Yonemura
BARBARA H. YONEMURA
Acting Assistant Commissioner
Health Plan Division

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

File No. 933 0400
Order No. L-00-86

Licensee: Santa Barbara Regional Health Authority

ORDER

UNDER SECTION 1343(b) OF THE HEALTH AND SAFETY CODE

Good cause having been demonstrated, Licensee is exempted from the requirements of Health and Safety Code Section 1374.72 only as to the provision of care needed to treat children enrolled in the Healthy Families Program with serious emotional disturbances ("SED"), as defined in Health and Safety Code Section 1374.72(e), for the SED condition(s). Licensee has demonstrated that children with serious emotional disturbances will receive services through Memoranda of Understanding between the Plan and the County Mental Health Department in each county wherein Licensee has been approved to arrange for the provision of health care services for children enrolled in the Healthy Families Program. Licensee remains responsible for the provision of all other mental health services to Healthy Families enrollees, including services to treat severe mental illnesses as required by Section 1374.72(a). This order is subject to the Plan's compliance with undertakings attached hereto and incorporated herein.

Dated: June 22, 2000
Los Angeles, California

WILLIAM KENEFICK
Acting Commissioner of Corporations

By Laurei E. Dols for
BARBARA H. YONEMURA
Acting Assistant Commissioner
Health Plan Division

DENTAL CARE COVERAGE AGREEMENT

This Dental Care Coverage Agreement ("Agreement") is entered into and is effective as of the first day of November, 2005 between **Foundation of Santa Barbara Regional Health Authority d/b/a Doorway to Health** ("CUSTOMER") and **Delta Dental of California, State Government Programs Division** ("Delta Dental").

RECITALS

1. CUSTOMER has established the Healthy Kids Santa Barbara Program ("HKSB" or "Program"), and CUSTOMER is the Program administrator. The Program provides necessary health care service coverage to eligible children residing in Santa Barbara County who are not otherwise covered by the Medi-Cal program, the Healthy Families program or private or other insurance for such health care services. The Program benefits include coverage of certain dental services.
2. Delta Dental is licensed by the California Department of Managed Health Care as a specialized health care service plan in the State of California pursuant to the Knox-Keene Act (as defined herein) to provide dental care coverage.
3. CUSTOMER desires to contract with Delta Dental to arrange for the provision of certain dental care services to eligible Healthy Kids program members.
4. Delta Dental desires to provide such services to these Members in accord with the terms of this Agreement.

AGREEMENTS

I. DEFINITIONS

"Covered Services" and "Services" means those professional dental services rendered by a Participating Provider to Members, which are described in Exhibit A of this Agreement.

"Government Officials" means the California Department of Health Services, the California Department of Managed Health Care, the California Office of the Attorney General, local government officials, peer review organizations, their designees, and such other officials entitled by law as may be charged with the duty to discharge the provisions of state or federal law or regulation governing CUSTOMER, Delta Dental or any of their programs.

"Knox Keene Act" means the California Knox-Keene Health Care Service Plan Act of 1975 (California Health and Safety Code Section 1340, *et seq.*), including all its amendments and successor provisions.

"Member" means each qualified person who is enrolled under the Healthy Kids program offered by CUSTOMER.

"Participating Provider" means those professional dental practitioners (including dentists and dental auxiliaries) who, either individually or through a professional corporation, by way of contracts with Delta Dental may provide Covered Services to Members pursuant to this Agreement.

E. Geographic Areas Covered

Delta Dental's participation in the Program is limited to enrollment of CUSTOMER's Members who reside in Santa Barbara County, as determined by CUSTOMER.

F. Licensing Sanction Notifications

Delta Dental agrees that it shall remain in good standing with the Department of Managed Health Care. Delta Dental shall promptly notify CUSTOMER if Delta Dental becomes subject to a sanction imposed by the Department of Managed Health Care.

III. DENTAL CARE PROVIDERS

A. Designation of Providers

1. Delta Dental's provider network shall consist of Participating Providers listed in Delta Dental's Provider Directory for Santa Barbara County, a current copy of which is attached to this Agreement as Exhibit B and incorporated herein by this reference.

2. At least quarterly, Delta Dental shall provide CUSTOMER with a roster of the names, specialties, office hours, practice locations, federal tax identification numbers, state health care practitioner license numbers (if applicable), Drug Enforcement Agency registration numbers (if applicable), professional practice names, and the business hours of all Participating Providers in a format acceptable to CUSTOMER.

B. Licensure, Certification, Credentials

Delta Dental shall ensure that all Participating Providers who provide Services to Members are properly licensed by the State of California certified, qualified and in good standing in accord with all applicable local, state and federal laws and in accord with all applicable standards and criteria of Delta Dental pertaining to the provision of healthcare services pursuant to this Agreement. Participating Providers shall only provide Services within the scope of their licensure, training and experience. Upon request, Delta Dental shall provide satisfactory documentary evidence of licensure, certification, accreditation and qualifications of Participating Providers. Delta Dental shall verify the licensure, certification and credentials of Participating Providers as set forth in Delta Dental's credentialing and recredentialing policies and procedures.

C. Credentialing and Peer Review

1. Delta Dental shall have the duty and obligation to credential and privilege, as applicable, every Participating Provider prior to his/her providing Services pursuant to this Agreement. Such obligation shall also include the responsibility to re-credential and re-privilege, as applicable, all such Participating Providers.

2. The parties acknowledge that CUSTOMER may review Delta Dental's performance of its provider credentialing activities. CUSTOMER has the right, to

event of nonpayment by Delta Dental for Covered Services, for any reason, Members shall not be liable to Participating Providers for amounts owed by Delta Dental. Delta Dental understands and agrees that surcharges against Members are prohibited and that it shall take appropriate action if a Participating provider imposes surcharges.

3. Each Subcontract shall include termination provisions that are adequate to meet the notice requirements described in this Agreement.
4. (a) Delta Dental shall use its best efforts to notify CUSTOMER in writing at least 60 days prior to the effective date of any action by Delta Dental to terminate a Participating Provider's Subcontract, provided, however, that in the event that Delta Dental terminates Participating Provider's Subcontract due to any determination that such Participating Provider constitutes an immediate threat to the life or health of the Members, Delta Dental shall notify CUSTOMER as soon as practicable after such termination. As soon as reasonably practicable, Delta Dental shall notify CUSTOMER whenever a Participating Provider initiates a termination of his or her agreement with Delta Dental, whenever Delta Dental has reason to believe a Participating Provider shall initiate a termination of his or her agreement with Delta Dental, and whenever Delta Dental knows of an occurrence giving rise to an immediate termination of a Participating Provider under this Agreement, to the extent permitted by law.
 - (b) Delta Dental shall initiate termination of a Participating Provider, in accordance with its provider agreements and applicable law, upon Delta Dental's receipt of actual notice, in the event of:
 - (i) Participating Provider's failure to comply with Delta Dental's utilization management program, quality assurance program and/or credentialing criteria;
 - (ii) Any misrepresentation or fraud by a Participating Provider in the credentialing process;
 - (iii) A Participating Provider's failure to maintain professional liability insurance in accordance with Delta Dental's credentialing standards; or
 - (iv) A Participating Provider's loss, suspension or restriction of his or her license to practice dentistry or other applicable profession, narcotic registration certificate issued by the Drug Enforcement Agency, certification to participate in Medicare or Medicaid
 - (v) A Participating Provider's failure to comply with state and federal confidentiality laws including, but not limited to, California Civil Code 56 *et seq.* and the Health Insurance Portability and Accountability Act, PL 104-91.

2. Delta Dental is prohibited from directly, indirectly, or through their agents, conducting in person, door to door, mail or telephone solicitation of applicants for enrollment.

D. Payment Limitation

Only Members for whom a premium is paid by CUSTOMER to Delta Dental, as set forth in Section IV.A. of this Agreement, are entitled to Covered Services provided hereunder and only for Covered Services rendered during the period for which the Member is enrolled.

E. Healthy Kids Program Payment Provisions

There is no specific maximum amount payable under this Agreement. Rather, Delta Dental is paid capitation on a monthly basis for each Member enrolled in the Healthy Kids program. Payments under this Agreement are limited to the provisions of Sections IV.A. and IV.B. of this Agreement.

F. Adequacy of Compensation

Delta Dental shall accept the payments specified in this Agreement as payment in full, for all Covered Services provided to Members and for all administrative costs incurred for providing such services, for each month for which such payments are to be received by Delta Dental. In the event CUSTOMER fails to make any payments to Delta Dental as provided herein, whether from CUSTOMER 's insolvency or otherwise, Members shall not be liable to Delta Dental, under any circumstances, for Covered Services, unless otherwise specified in this Agreement.

G. Fiscal Solvency

Delta Dental agrees that it shall at all times maintain the reserves required under the Knox-Keene Health Care Service Plan Act of 1975, as amended and the regulations promulgated there under by the Department of Managed Health Care, including the Tangible Net Equity regulations.

V. ENROLLMENT

A. Eligibility

1. All Members who are determined eligible for the Program by CUSTOMER are eligible to enroll hereunder. CUSTOMER certifies that its enrollment process shall not be prejudicial to Delta Dental or other participating dental plans.

2. Delta Dental shall receive full monthly electronic eligibility files for Healthy Kids Members in a format mutually agreed upon by the parties. Delta Dental shall accept and be financially responsible for providing all Covered Services that are specified in Exhibit A for all Members who are on the Delta Dental eligibility file provided by CUSTOMER to Delta Dental, provided that Capitation Payments are made in accordance with this Agreement.

3. Delta Dental shall issue a Provider Directory, within 7 days of the effective date of coverage, to Members. Delta Dental's Provider Directory shall indicate the language capabilities of the Participating Providers.

E. Right to Services

Possession of an identification card issued by CUSTOMER confers no right to services or other benefits of the Program. To be entitled to services or benefits, the holder of the card must, in fact, be enrolled in the Program on the date that covered services are performed. Therefore, any person receiving services or other benefits for which he or she is not then entitled pursuant to the provisions of this Agreement shall be liable for the cost of all dental care.

F. HIPAA and the Electronic Signatures in Global and National Commerce Act

1. The parties understand and agree that this Agreement and certain data which may be exchanged hereunder is subject to:

(a) Health Insurance Portability and Accountability Act– Delta Dental and CUSTOMER are subject to all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-91, enacted August 21, 1996, and the laws and regulations promulgated subsequent hereto, for purposes of services rendered pursuant to the Agreement. Both parties agree to cooperate in accordance with the terms and intent of this Agreement for implementation of relevant law(s) and/or regulation(s) promulgated under this Law.

(b) Laws relating to patient confidentiality, including but not limited to the Confidentiality of Medical Information Act (California Civil Code Section 56.10 *et seq.*);

(c) The California Uniform Electronic Transactions Act (California Civil Code, Section 1633.1 *et seq.*); and

(d) The Electronic Signatures in Global and National Commerce Act of 2000, PL 106-229.

2. The parties agree to abide by these laws, and shall amend this agreement, if and as required, to comply with these laws.

G. Encounter Data. Delta Dental agrees to submit monthly data to CUSTOMER detailing information re regarding the provision of Services to Members ("Encounter Data") during the period. Encounter Data shall be submitted in such detail and in such form as specified by CUSTOMER and shall be maintained by Delta Dental for a period of at least five (5) years. Encounter Data shall be made available to Government Officials and CUSTOMER, on request, as set forth in Part X, Section D., paragraph 3, of this Agreement.

H. Other Reporting

Delta Dental shall prepare and submit to CUSTOMER such reports as are requested by CUSTOMER. These reports may include, but are not limited to, the following:

will provide an impartial review of medical decisions made by a health plan related to the medical necessity of a proposed service or treatment, coverage decisions for treatments that are experimental or investigational in nature and payment disputes for emergency or urgent medical services. The department also has a toll-free telephone number **(1-888-HMO-2219)** and a TDD line **(1-877-688-9891)** for the hearing and speech impaired. The department's Internet Web site <http://www.hmohelp.ca.gov> has complaint forms, IMR application forms and instructions online.

C. Cultural and Linguistic Services

1. Interpreter Services

(a) Delta Dental shall provide twenty-four (24) hour access to interpreter services for all limited English proficient Members seeking Covered Services within Delta Dental's network. Delta Dental shall develop and implement policies and procedures for ensuring access to interpreter services for all limited English proficient Members. Delta Dental's procedures must include ensuring compliance of any subcontracted providers to these requirements. Delta Dental may use bilingual or multilingual staff who can interpret for providers or use contracted community-based organization for interpreter services.

(b) When the need for an interpreter has been identified by the provider, or requested by a Member, Delta Dental agrees to provide an interpreter for a scheduled appointment. Delta Dental shall make efforts to avoid unreasonable delays in the delivery of dental care services to persons of limited English proficiency. Delta Dental shall instruct its provider network to record the language needs of Members in the medical record.

(c) Delta Dental shall encourage the use of qualified interpreters. Delta Dental agrees that Members shall not be required or encouraged to utilize family members or friends as interpreters. After being informed of his/her right to free interpreter services, a Member may use an interpreter of his/her choice. Delta Dental shall encourage the use of qualified interpreters. Delta Dental agrees that minors shall not be used as interpreters except for only the most extraordinary circumstances. Delta Dental shall ensure that the request or refusal of language/interpreter services is documented in the medical record.

(d) Delta Dental shall ensure that there is appropriate bilingual proficiency at dental and non-dental points of contact for providers who list their bilingual capabilities in provider directories. Delta Dental agrees that activities to ensure that interpreters are bilingually proficient at dental points of contact, such as advice and urgent care telephone lines and face-to-face encounters with providers, may include but not be limited to; demonstrated conversational fluency as well as fluency in dental terminology, training to take or assist with gathering information for an accurate dental history with culturally related consent forms, and provision of dictionaries and glossaries for interpreters, if necessary. Delta Dental agrees that activities to ensure that interpreters are

2. Delta Dental hereby acknowledges that the quality assurance and improvement programs of CUSTOMER require CUSTOMER to monitor the quality assurance and improvement activities delegated to contracting practitioners.

3. Delta Dental shall investigate and respond immediately to all quality issues, and shall work with CUSTOMER to resolve any accessibility and other quality issues related to Services provided to Members. Delta Dental shall remedy, as soon as reasonably possible, any condition related to Member care that has been determined by CUSTOMER or any governmental or accrediting agency to be unsatisfactory. The parties shall work together to continuously assess and improve the quality and accessibility of care provided to Members and to resolve problems related to the provision of Services.

4. Delta Dental shall provide information for use in quality assurance and improvement activities conducted by CUSTOMER, including but not limited to Participating Provider-specific and patient-specific information. CUSTOMER shall protect the confidentiality of such information to the extent required under state and federal law. Delta Dental shall provide CUSTOMER access to all patient care protocols, policies and procedures, and any modifications, upon request. Delta Dental shall cooperate with representatives of any independent quality review and improvement organization or external review organization retained by CUSTOMER as part of its administration of its quality assurance and improvement program.

5. Delta Dental shall permit, at reasonable times with reasonable notice, inspection of its site(s) by CUSTOMER to review, observe, and monitor Delta Dental's performance of its obligations under this Agreement. Delta Dental shall also permit Government Officials to conduct periodic site evaluations of Delta Dental's site(s). Delta Dental shall participate in all utilization management, quality assurance and improvement, credentialing, recredentialing, peer review and any other activities required by regulatory and accrediting agencies.

D. Financial Audits

Delta Dental agrees that CUSTOMER or its duly authorized delegate shall have the right to review, obtain, and copy all records pertaining to performance of this Agreement. Delta Dental agrees to provide CUSTOMER or its delegate access to its premises upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts and other material that may be relevant to a matter under investigation. Delta Dental further agrees to maintain such records for a period of five (5) years after final payment under this Agreement.

E. Dental Care Promotion

Delta Dental agrees to notify the applicants associated with all children enrolled in Delta Dental's plan through the Program, on an annual basis of the benefits of periodic dental examinations. Such notification shall be provided via a mailed notice or brochure and shall be provided in English, Spanish, and any additional designated CUSTOMER threshold language.

D. Termination For Cause

Except as otherwise provided below, if a party materially breaches this Agreement, such as, but not limited to, Delta Dental's failure to maintain the Grievance and Quality Standards set forth in this Agreement, or Delta Dental's failure to provide Covered Services to Members as provided herein, and fails to cure the material breach to the satisfaction of the non-breaching party within 30 days after the non-breaching party gives written notice of the material breach, including as provided in VIII. B, above, the non-breaching party may terminate this Agreement immediately upon written notice to the other party.

E. Immediate Termination.

1. Delta Dental may immediately terminate this Agreement if:
 - a. Failure by CUSTOMER to pay Capitation Payment due to Delta Dental hereunder within fifteen (15) days of the Capitation Payment due date or failure by CUSTOMER to make any other payments due to Delta Dental hereunder within forty-five (45) days of any such payment's due date.
 - b. Adequate funding is discontinued for the Program or CUSTOMER is dissolved. .
2. CUSTOMER may immediately terminate this Agreement if:
 - a. Delta Dental's license to operate as a Knox-Keene Act health cares service plan is suspended, revoked, expired, not renewed or placed on probation.
 - b. Failure by Delta Dental to maintain adequate general and professional liability insurance coverage, as provided herein.
 - c. Funding is discontinued for the Healthy Kids Program or CUSTOMER is dissolved.

F. Effect Of Termination; Survival

1. Upon termination of this Agreement, Delta Dental shall continue to arrange for provision of Services to Members at the time of termination, until the Services being rendered are completed, unless CUSTOMER makes reasonable and dentally appropriate provision for the assumption of such Services by another provider or dental plan. The terms and conditions of this Agreement shall continue to apply to Services provided to each such Member until completion or until transfer to a new provider or dental plan. Delta Dental shall act in such a manner as to facilitate CUSTOMER's or any new dental plan's assumption of services.
2. Provisions of this Agreement including, but not limited to provisions relating to utilization management, quality assurance and improvement, records and confidentiality, insurance, responsibility and indemnification and dispute resolution, grievances and inquiries, that are not fully performed or are not capable of being fully performed as of the date of termination shall survive termination of this Agreement.

Administration (OSHA) standards. Any provision required to be in this Agreement by the Knox-Keene Act and the rules and regulations promulgated thereunder, shall bind Delta Dental whether or not provided in this Agreement. Delta Dental acknowledges that it is subject to the requirements of Chapter 2.2 of Division 2 of the Health and Safety Code and of Sections 1300.43 through 1300.826 of Chapter 1 of Title 28 of the California Code of Regulations. Delta Dental agrees that it shall be in compliance with the requirements of HIPAA, and the laws and regulations promulgated subsequent hereto.

D. Nondiscrimination

1. Delta Dental represents and assures that Covered Services are provided to Members in the same manner and quality as such services are provided to Delta Dental's other Members. Delta Dental shall not refuse or fail to provide dental coverage for services to any Member and Members shall not be subject to any discrimination whatsoever by Delta Dental with regard to access to Covered Services. Delta Dental may not impose any limitations on the acceptance of Members for coverage that it does not impose on other Members of Delta Dental. Delta Dental shall not unlawfully discriminate, harass or allow harassment, against any employee, applicant, or Member because of sex, race, color, ancestry, religion, national origin, physical disability (including HIV and AIDS), mental disability, medical condition, age, marital status, denial of family care leave or sexual orientation. Delta Dental shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

2. Delta Dental shall promptly forward to CUSTOMER any grievances by Members or Participating Providers regarding discrimination against Members because of race, color, creed, sex, religion, age, national origin, ancestry, marital status, sexual orientation or physical or mental handicap.

E. Records and Confidentiality

1. Maintenance Of Records. Delta Dental shall maintain books, charts, documents, papers, reports and records (including, but not limited to, financial, accounting, administrative, and patient medical records and prescription files) related to Services provided hereunder to Members, to the cost thereof, to payments received from Members or others on their behalf, and to the financial condition of Delta Dental ("Records"). Records also include those that are customarily maintained by Delta Dental for purposes of verifying claims information and reviewing appropriate utilization of Services. Delta Dental shall maintain Records in accord with applicable state and federal requirements, including privacy and confidentiality requirements, and in a form maintained in accordance with the general standards applicable to that form of book- or record-keeping. Delta Dental shall preserve Records for the longer of (i) seven (7) years after termination of this Agreement, (ii) six years from the date of completion of any audit conducted by the Department of Health and Human Services, Comptroller General, or their designees, or (iii) the period of time required by state and federal law, including the period required by the Knox-Keene Act, HIPAA and the rules regulations promulgated thereunder.

2. Access To And Copies Of Records. CUSTOMER and its authorized agents shall have access to and may inspect the Records, subject to reasonable request and notification requirements. Delta Dental shall transmit Record

G. Review of Materials

Delta Dental agrees that CUSTOMER shall have the right to review and approve all marketing and collateral materials including Delta Dental's Provider Directory and correspondence related to the Healthy Kids Program between Delta Dental and Members before Delta Dental uses such materials in any marketing activity. CUSTOMER agrees to review and approve or reject all materials submitted by Delta Dental within thirty (30) calendar days of submittal by Delta Dental.

H. Maintenance of Insurance

The parties shall each maintain at its own expense the following insurance: (i) a policy of commercial general liability and property damage insurance with limits of liability not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) annual aggregate, (ii) a policy of professional liability insurance with limits of liability not less than one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) annual aggregate and (iii) such other insurance or self insurance as shall be necessary to insure it against any claim or claims for damages arising under this Agreement, including claims arising by reason of personal injury or death in connection with the performance of any Service, or use of any property or facility pursuant to this Agreement. Evidence of the coverage described herein shall be made available to either party upon reasonable request. All policies required hereunder shall provide at least thirty (30) days' advance written notice to the other party of cancellation or reduction in coverage at the address for notices specified herein.

I. Designated Representatives/Notices

In order to avoid unreasonable delay in the performance of obligations under this Agreement, Delta Dental and CUSTOMER shall each designate a specific representative(s) for purposes of communications between the parties. Such representative(s) may be changed upon written notice to the other party. Any notices required to be given under this Agreement by either party, or which may be made by either party to the other, shall be in writing, delivered personally, by overnight delivery service with written proof of delivery or by mail, registered or certified, postage prepaid, with return receipt requested addressed as follows:

<i>Healthy Kids Santa Barbara</i>	<i>Delta Dental of California</i>
<i>c/o Doorway to Health</i>	
110 Castilian Drive	11155 International Drive
Goleta CA 93117	Rancho Cordova, CA 95670
Attention: Lorraine Reichel,	Attention: Mike Kaufmann
Development Director	Senior Vice President
(805) 685-9525 X-299	(916) 861-2301

or to such other address as a party from time to time informs the other in writing.

J. Binding Effect

This Agreement and the rights, covenants, conditions and obligations of the respective parties hereto and any instrument or agreement executed pursuant

Q. Entire Agreement

This Agreement, including the Exhibits attached hereto, contains the entire agreement of the parties and as of the Effective Date supersedes any prior contracts, agreements, negotiations, proposals or understandings relating to the subject matter of this Agreement.

R. Unusual Or Unexpected Circumstances

Neither party shall be liable nor deemed to be in default for any delay or failure in performance under this Agreement or other interruption of service deemed resulting, directly or indirectly, for Acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, machinery or supplies, vandalism, strikes or other work interruptions by either party's employees or any similar or dissimilar cause beyond the reasonable control of either party. However, both parties shall make good faith efforts to perform under this Agreement in the event of any such circumstances.

S. Prohibition Against Assignment

Neither party may assign any or all of its rights or obligations under this Agreement without the prior written consent of the other party.

T. Relationship of Parties

The relationship between CUSTOMER and Delta Dental is an independent contractor relationship. Neither Delta Dental nor its employee(s) and/or agent(s) are or shall be considered to be an employee(s) and/or agent(s) of CUSTOMER and neither CUSTOMER nor any employee(s) and/or agent(s) of CUSTOMER are or shall be considered to be a member, partner, employee(s) and/or agent(s) of Delta Dental. None of the provisions of this Agreement shall be construed to create a relationship of agency, representation, joint venture, ownership, control or employment between the parties other than that of independent parties contracting for the purpose of effectuating this Agreement.

U. CUSTOMER's Authority to Contract

CUSTOMER certifies and warrants that it is authorized by law to make and execute all contracts, agreements and documents necessary to accomplish the purposes of the Agreement.

V. No Third Party Beneficiaries

This Agreement is not intended to, nor does it create, any third-party beneficiary rights in any person, including Members. No action to enforce the terms of this Agreement may be brought against a party by a person who is not a party hereto, except for CUSTOMER and Delta Dental.

**EXHIBIT A
COVERED AND EXCLUDED
DENTAL SERVICES**

Covered Services are the Necessary dental care services and benefits which Members are entitled to receive under the Healthy Kids Santa Barbara Program Evidence of Coverage. Services excluded under the Healthy Kids Santa Barbara Evidence of Coverage are not Covered Services for Members under this Agreement. Covered Services and exclusions for Members are further described in the applicable Member Evidence of Coverage document. Currently, such covered services and benefits and exclusions are the following:

Diagnostic and Preventive Benefits

Diagnostic

Cost to Member: No copayment

Description: Initial and periodic oral examination, x-rays, palliative emergency office visits, and treatment, and consultation by a specialist.

Exclusions: Dental x-rays are limited as follows:

- Bitewing x-rays are limited to one set of four films in any six consecutive month period. However, isolated bitewing or periapical films are allowed on an emergency or episodic basis.
- Full mouth x-rays in conjunction with a periodic exam are limited to once every 24 consecutive months for members over 12 years of age.
- Panoramic film x-rays are limited to once every 24 consecutive months.

Preventive

Cost to Member: No copayment

Description: Prophylaxis (cleaning), fluoride treatment, dental sealants, preventive dental education and oral hygiene instruction.

Exclusions: Preventive services are limited as follows:

- Prophylaxis services (cleanings) are limited to two in a 12 month period.
- Dental sealant treatments are limited to permanent first and second molars only.

Space Maintainers

Cost to Member: No copayment

Description: Covered benefits include space maintainers, including removable acrylic and fixed band type.

Restorative, Oral Surgery, Endodontic and Periodontic Benefits

Exclusions: Root canal therapy, including culture of canal, is limited as follows:
Retreatment of root canals is a covered benefit only if clinical or radiographic signs of pathology are present, and/or the patient is experiencing symptoms. Removal or retreatment of silver points, overfills, underfills, incomplete fills, or broken instruments lodged in a canal, in the absence of pathology, is not a covered benefit.

Periodontic

Cost to Member: \$5 copayment per quadrant for osseous or muco-gingival surgery

Description: Periodontal scaling and root planning, and subgingival curettage, gingivectomy and osseous or muco-gingival surgery.

Exclusions: Periodontal scaling and root planning, and subgingival curettage is limited to five quadrant treatments in any 12 consecutive months.

Crowns and Fixed Bridges

Crowns

Cost to Member: \$5 copayment for each porcelain crown; porcelain fused to metal crown; full metal crown; and $\frac{3}{4}$ crown.

Description: Crowns including those made of acrylic, acrylic with metal, porcelain, porcelain with metal, full metal, gold onlay or three-quarter crown, and stainless steel as necessary to treat cavities that cannot be directly restored with amalgam, composite resin, acrylic, synthetic, or plastic fillings. Related dowel pins and pin build-up are also benefits.

Exclusions: Crowns are limited as follows:

- Replacement of each unit is limited to once every 36 consecutive months, except when the crown is no longer functional;
- Crowns will be covered only if there is not enough retentive quality left in the tooth to hold a filling. For example, if the buccal or lingual walls are either fractured or decayed to the extent that they will not hold a filling.
- Only acrylic crowns and stainless steel crowns are a benefit for children under 12 years of age. If

- Complete maxillary denture
- Complete mandibular denture
- Partial acrylic upper or lower denture with clasps
- Partial upper or lower denture with chrome cobalt alloy, lingual or palatal bar, clasps and acrylic saddles
- Reline – laboratory processed, per arch
- Denture duplication

Description:

Covered benefits include construction or repair of partial dentures and complete dentures when provided to replace missing, natural teeth. Benefits also include office or laboratory relines or rebases; denture repair; denture adjustments; tissue conditioning; stayplates; and denture duplication.

Exclusions:

Dentures (full maxillary, full mandibular, partial upper, partial lower), teeth, clasps, denture repair, adjustment and duplication, tissue reconditioning (two per denture) and stress breakers are limited as follows:

- Partial dentures will not be replaced within 36 consecutive months, unless:
 - It is necessary due to natural tooth loss where the addition or replacement of teeth to the existing partial is not feasible, or
 - The denture is unsatisfactory and cannot be made satisfactory
- The covered dental benefit for partial dentures will be limited to the charges for a cast chrome or acrylic denture if this would satisfactorily restore an arch. If a more elaborate or precision appliance is chosen by the patient and the dentist, and is not necessary to satisfactorily restore the arch, the patient/applicant will be responsible for all additional charges.
- A removable partial denture is considered an adequate restoration of a case when teeth are missing on both sides of the same dental arch. Other treatments of such cases are considered optional.
- Full upper and/or lower dentures are not to be replaced within 36 consecutive months unless the existing denture is unsatisfactory and cannot be made satisfactory by reline or repair.
- The covered dental benefit for complete denture(s) will be limited to the benefit level for a standard procedure. If a more personalized or specialized treatment is chosen by the patient and the dentist,

- Additional treatment cost incurred because a dental procedure is unable to be performed in a dentist's office due to the general health and physical limitations of the patient. For example, a Member is hospitalized or needs to have treatment performed in a surgery center, any facility charges and/or associated charges must be paid by the Member. Delta Dental will only pay for covered Dental Services performed in these situations
- The cost of precious metals used in any form of dental covered services
- The insertion or removal of implants
- Services which are eligible for reimbursement by insurance or covered under any other insurance, health care service plan or dental plan. Delta Dental shall provide the services at the time of need, and the member or applicant shall cooperate to assure that benefits are coordinated and reimbursement is obtained for such services.

HUTCHERSON, STEVEN, DDS		WESTERN DENTAL SERVICES, INC.	
1414 S MILLER ST SANTA MARIA, CA 93454 (805) 922-9626 Languages: English, Spanish		2205 S BROADWAY SANTA MARIA, CA 93454 (805) 347-1000 Languages: English	
<u>Spanish Provider:</u>		<u>Spanish Provider:</u>	
HUTCHERSON, STEVEN	Prosthodontist	ALKHADRA, ANAS	Gen. Practitioner
KRULIEWICKI, ADRIAN G., DDS		ANWAD, MAHER	
1414 S MILLER ST SANTA MARIA, CA 93454 (805) 922-3122 Languages: English, Spanish		DDS, MARJVEL	
<u>Spanish Provider:</u>		BONKOHYAN, HAYCO	
KRULIEWICKI, ADRIAN	Gen. Practitioner	E. HAS, SAMI	
KWON, SOON C., DDS		FARJAD, MARIA	
1414 S MILLER ST SANTA MARIA, CA 93454 (805) 925-6229 Languages: English		FARJAD, RAEBORZ	
<u>Spanish Provider:</u>		GAD, MOHA	
KWON, SOON	Gen. Practitioner	QLETA, SHEPA	
MARINE, MICHAEL A., DDS		HADADJEN, ZAD COON	
210 N BROADWAY SANTA MARIA, CA 93454 (805) 347-1171 Languages: English, Spanish		HWANG, WONIE	
<u>Spanish Provider:</u>		JOHNSON III, ARTHUR	
MARINE, MICHAEL	Gen. Practitioner	JUSTI, ENE	
NAUMESCU, ION, DDS		LAKSHMEESAR, SONSOCN	
1414 S MILLER ST SANTA MARIA, CA 93454 (805) 928-3780 Languages: English, Spanish		MKHAIL, SONIA	
<u>Spanish Provider:</u>		PADDA, PRABHOT	
NAUMESCU, ION	Gen. Practitioner	PARK, YONG EON	
SHAYAN, JOSE E., DDS		PARWAR, PRASANNAKUMAR	
316 E CHAPEL ST SANTA MARIA, CA 93454 (805) 925-4051 Languages: Other, Spanish		QAO, BINGSHENG	
<u>Spanish Provider:</u>		RASAH, READ	
SHAYAN, JOSE	Gen. Practitioner	THOMAS, WILLIAM	

* = NOT accepting new members

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VISION CARE COVERAGE AGREEMENT

This Vision Care Coverage Agreement (“Agreement”) is entered into and is effective as of the first day of November, 2005 between **Foundation of Santa Barbara Regional Health Authority, Inc. d/b/a Doorway to Health** (“CUSTOMER”) and **Vision Service Plan** (“VSP”).

RECITALS

1. CUSTOMER has established the Healthy Kids Santa Barbara Program (“HKSB” or “Program”), and CUSTOMER is the Program administrator. The Program provides necessary health care service coverage to eligible children residing in Santa Barbara County who are not otherwise covered by the Medi-Cal program, the Healthy Families program or private or other insurance for such health care services. The Program benefits include coverage of certain vision services.
2. VSP is licensed by the California Department of Managed Health Care as a specialized health care service plan in the State of California pursuant to the Knox-Keene Act (as defined herein) to provide vision care coverage.
3. CUSTOMER desires to contract with VSP to arrange for the provision of certain vision care services to eligible Healthy Kids program members.
4. VSP desires to provide such services to these Members in accord with the terms of this Agreement.

AGREEMENTS

I. DEFINITIONS

“Covered Person” An enrollee who meets VSP’s and Customer’s eligibility criteria and is enrolled in the Program for whom the applicable premium has been received by VSP.

“Covered Services” and “Services” means those professional vision services rendered by a Participating Provider to Members, which are described in Exhibit A of this Agreement.

“Government Officials” means the California Department of Health Services, the California Department of Managed Health Care, the California Office of the Attorney General, local government officials, peer review organizations, their designees, and such other officials entitled by law as may be charged with the duty to discharge the provisions of state or federal law or regulation governing CUSTOMER, VSP or any of their programs.

“Knox Keene Act” means the California Knox-Keene Health Care Service Plan Act of 1975 (California Health and Safety Code Section 1340, *et seq.*), including all its amendments and successor provisions.

“Member” means each qualified person who is enrolled under the Healthy Kids program offered by CUSTOMER.

“Participating Provider” means those professional vision practitioners (including auxiliaries) who, either individually or through a professional corporation, by way of contracts with VSP may provide Covered Services to Members pursuant to this Agreement.

E. Geographic Areas Covered

VSP's participation in the Program is limited to enrollment of CUSTOMER's Members who reside in Santa Barbara County, as determined by CUSTOMER.

F. Licensing Sanction Notifications

VSP agrees that it shall remain in good standing with the Department of Managed Health Care. VSP shall promptly notify CUSTOMER if VSP becomes subject to a sanction imposed by the Department of Managed Health Care.

III. VISION CARE PROVIDERS

A. Designation of Providers

1. VSP's provider network shall consist of Participating Providers listed in VSP's Provider Directory for Santa Barbara County, a current copy of which is attached to this Agreement as Exhibit B and incorporated herein by this reference.

2. At least quarterly, VSP shall provide CUSTOMER with a roster of the names, specialties, office hours, practice locations, federal tax identification numbers, state health care practitioner license numbers (if applicable), Drug Enforcement Agency registration numbers (if applicable), professional practice names, and the business hours of all Participating Providers in a format acceptable to CUSTOMER.

B. Licensure, Certification, Credentials

VSP shall ensure that all Participating Providers who provide Services to Members are properly licensed by the State of California certified, qualified and in good standing in accord with all applicable local, state and federal laws and in accord with all applicable standards and criteria of VSP pertaining to the provision of healthcare Services pursuant to this Agreement. Participating Providers shall only provide Services within the scope of their licensure, training and experience. Upon request, VSP shall provide satisfactory documentary evidence of licensure, certification, accreditation and qualifications of Participating Providers. VSP shall verify the licensure, certification and credentials of Participating Providers as set forth in VSP's credentialing and recredentialing policies and procedures.

C. Credentialing and Peer Review

1. VSP shall have the duty and obligation to credential and privilege, as applicable, every Participating Provider prior to his/her providing Services pursuant to this Agreement. Such obligation shall also include the responsibility to re-credential and re-privilege, as applicable, all such Participating Providers.

2. The parties acknowledge that CUSTOMER may review VSP's performance of its provider credentialing activities. CUSTOMER has the right, to audit these activities on an ongoing basis. VSP shall fully cooperate with such monitoring activities.

3. Each Member Doctor Agreement shall include termination provisions that are adequate to meet the notice requirements described in this Agreement.

(a) VSP shall use its best efforts to notify CUSTOMER in writing at least 60 days prior to the effective date of any action by VSP to terminate a Participating Provider's Member Doctor Agreement, provided, however, that in the event that VSP terminates Participating Provider's Member Doctor Agreement due to any determination that such Participating Provider constitutes an immediate threat to the life or health of the Members, VSP shall notify CUSTOMER as soon as practicable after such termination. As soon as reasonably practicable, VSP shall notify CUSTOMER whenever a Participating Provider initiates a termination of his or her agreement with VSP, whenever VSP has reason to believe a Participating Provider shall initiate a termination of his or her agreement with VSP, and whenever VSP knows of an occurrence giving rise to an immediate termination of a Participating Provider under this Agreement, to the extent permitted by law.

(b) VSP shall initiate termination of a Participating Provider, in accordance with its provider agreements and applicable law, upon VSP's receipt of actual notice, in the event of:

(i) Participating Provider's failure to comply with VSP's utilization management program, quality assurance program and/or credentialing criteria;

(ii) Any misrepresentation or fraud by a Participating Provider in the credentialing process;

(iii) A Participating Provider's failure to maintain professional liability insurance in accordance with VSP's credentialing standards; or

(iv) A Participating Provider's loss, suspension or restriction of his or her license to practice dentistry or other applicable profession, narcotic registration certificate issued by the Drug Enforcement Agency, certification to participate in Medicare or Medi-Cal.

(v) A Participating Provider's failure to comply with state and federal confidentiality laws including, but not limited to, California Civil Code 56 *et seq.* and the Health Insurance Portability and Accountability Act, PL 104-91.

employees) shall be made within thirty (30) days after the adjustment is determined.

Right to Renegotiate: VSP may change the premiums set forth in Section IV, A (Fees Provided to VSP) by giving CUSTOMER at least sixty (60) days advance written notice. No change will be made during the plan term unless there is a change in the Schedule of Benefits or there is a material change in plan terms or conditions, provided any such change is mutually agreed upon in writing by VSP and CUSTOMER. Notwithstanding the foregoing, VSP understands that CUSTOMER receives its funding commitment based on the plan year, and therefore agrees that no premium increases shall be effective until the commencement of the subsequent plan year, which will commence on December 1 of each year.

Notwithstanding the above, VSP may increase premiums during a plan term by the amount of any tax or assessment not now in effect but subsequently levied by any taxing authority, which is attributable to premiums VSP received from CUSTOMER.

Grace Period: CUSTOMER shall be allowed a grace period of thirty-one (31) days following the Premium Payment due date to pay premiums due under this plan. During said grace period, this plan shall remain in full force and effect for all Covered Persons of CUSTOMER. VSP will consider late payments at the time of plan renewal. Such payment may impact CUSTOMER 's premium rates in future plan terms.

If CUSTOMER fails to make any Premium Payments due by the end of any grace period, VSP may notify CUSTOMER that the Premium Payment has not been made, that coverage is canceled and that CUSTOMER is responsible for payment for all plan benefits provided to Covered Persons after the last period for which premiums were paid in full, including the grace period through the effective date of termination. CUSTOMER shall also be responsible for any legal and/or collection fees incurred by VSP to collect amounts due under the plan.

Payments Following Termination of Agreement: Following termination of this Agreement, CUSTOMER shall make Premium Payments to VSP as compensation for providing and arranging Covered Services to remaining Covered Persons until transferred.

C. Public Awareness

1. VSP agrees to cooperate in CUSTOMER's efforts designed to increase public awareness of and enrollment in the Program. At a minimum these efforts shall include VSP publicizing its participation in the Program through its internal provider communications and through its general membership communication publications. All public awareness efforts must be approved by CUSTOMER before being released in public. In the event that CUSTOMER does not notify VSP in writing, with the reasons the marketing materials are not approved, within thirty (30) calendar days of receipt of the materials, the materials shall be deemed approved.

- (a) Children up to their 19th birthday;
- (b) Children in families with income up to 300% of the Federal Income Guidelines;
- (c) Children who are not eligible for Medi-Cal or Healthy Families programs and have no other health insurance; and
- (d) Children who live in Santa Barbara County.

Eligibility requirements are subject to change. CUSTOMER shall notify VSP at least 30 days prior to any such change.

CUSTOMER shall notify the Member of enrollment with VSP and the effective date of coverage by VSP.

2. Ineligible Members:

A Member shall be deemed ineligible to receive Services on the date that he or she does not appear on eligibility information provided by CUSTOMER to VSP pursuant to Section V.A., above. Notwithstanding the terms of this section, CUSTOMER shall make a Capitation Payment for any Member made eligible and ineligible in the same month.

In no event shall any individual Member be entitled to the payment of any benefits with respect to vision care Services rendered, supplies or drugs received or expense incurred following termination of coverage consistent with CUSTOMER termination provisions. For the purposes of this Agreement, a charge shall be considered incurred on the date the Service or supply giving rise to the charge is rendered or received.

C. Period of Coverage

Coverage shall commence for a Member on the day of the month in which CUSTOMER notifies VSP of the Member's eligibility for the Healthy Kids Program and continue thereafter on a monthly basis until the Member's name does not appear on eligibility information submitted to VSP from CUSTOMER.

D. Member Materials

1. All communication materials created by CUSTOMER which relate to this vision care plan must adhere to VSP's Member Communication Guidelines, distributed to CUSTOMER by VSP. Such communication materials may be sent to VSP for review and approval prior to use. VSP's review of such materials shall be limited to approving the accuracy of plan benefits and shall not encompass or constitute certification that CUSTOMER's materials meet any applicable legal or regulatory requirements. In the event of any dispute between the communication materials and this Agreement, the provisions of this Agreement shall prevail.
2. Distribution of Required Documents: CUSTOMER shall distribute to Covered Persons any disclosure forms, plan summaries or other material required to be given to plan subscribers by any regulatory authority. Such materials shall be distributed by CUSTOMER no later than thirty (30) days after the receipt thereof, or as otherwise required under state law.

- Monthly VSP utilization reports of Covered Services provided to Members.
- The number, type and disposition of each grievance filed on behalf of Members and/or providers with VSP.
- VSP call center reports.
- Such other reports as CUSTOMER may reasonably request.

VI. CUSTOMER SERVICE/GRIEVANCE PROCEDURE

A. Telephone Service for Members

VSP agrees to provide a toll free telephone number for applicant and Member inquiries. This telephone service shall be available on regular business days from the hours of Monday – Friday, 6 a.m. to 7 p.m. PST. VSP shall provide interpretive services during all hours of telephone service. VSP shall have the capability to provide telephone services via an interpretive service for all limited English proficient persons.

B. Grievance Procedure

VSP agrees to investigate and resolve member grievances in accordance with its procedures, which shall comply with the requirements of the Knox-Keene Act. VSP shall report to CUSTOMER on a monthly basis the number and types of grievances filed by Members with VSP and upon request shall provide information on the disposition of each grievance.

To the extent that a Member is entitled to independent medical review, as set forth in California Health and Safety Code Sections 1370.4, and 1374.30 *et seq.*, for any Service covered by this Agreement, CUSTOMER shall comply with the applicable requirements for health care service plans to provide Members the opportunity for independent medical review through its own procedures.

The California Department of Managed Health Care is responsible for regulating health care service plans. If you have a grievance against your health plan, you should first telephone your health plan at (insert health plan's telephone number) and use your health plan's grievance process before contacting the department. Utilizing this grievance procedure does not prohibit any potential legal rights or remedies that may be available to you. If you need help with a grievance involving an emergency, a grievance that has not been satisfactorily resolved by your health plan, or a grievance that has remained unresolved for more than 30 days, you may call the department for assistance. You may also be eligible for an Independent Medical Review (IMR). If you are eligible for IMR, the IMR process will provide an impartial review of medical decisions made by a health plan related to the medical necessity of a proposed service or treatment, coverage decisions for treatments that are experimental or investigational in nature and payment disputes for emergency or urgent medical services. The department also has a toll-free telephone number (1-888-HMO-2219) and a TDD line (1-877-688-9891) for the hearing and speech impaired. The department's Internet Web

these written materials. VSP shall ensure the quality of the translated material. VSP is encouraged to use qualified translators during sequential levels of the translation process to ensure accuracy, completeness and reliability of translated materials. VSP agrees that the translation process shall include the use of qualified translators for translating and editing, proofreading and professional review. VSP subscribes to an interpretation service that CSR's can use to assist non-English speaking callers. This service is available during VSP's hours of operation (Monday-Friday, 6:00 a.m. – 7:00 p.m., PST). The member may also identify a doctor of their choice by using our Doctor Directory that may be obtained by the Group, VSP's Customer Service or www.vsp.com. The Doctor Directory indicates if an office provides assistance in a foreign language.

VII. CLINICAL QUALITY MEASURES AND MANAGEMENT PRACTICES

A. Utilization Management Processes

VSP shall have the duty and obligation to perform utilization management processes, as applicable, in connection with the performance of this Agreement. VSP acknowledges and warrants that it maintains a utilization management process to evaluate the care provided by Participating Providers and shall utilize that system to fulfill its obligations hereunder.

B. Quality Assurance Activities

VSP shall have the duty and obligation to perform quality assurance and improvement activities, as applicable, in connection with the performance of this Agreement. VSP acknowledges and warrants that it maintains a peer review and quality assurance program to evaluate the care provided by Participating Providers and shall utilize that system to fulfill its obligations hereunder.

C. Quality Assurance Program

1. VSP agrees to use a quality assurance program in accordance with the Knox Keene Act for performance of its activities related to evaluating the appropriateness and quality of the Covered Services provided to Members.
2. VSP hereby acknowledges that the quality assurance and improvement programs of CUSTOMER require CUSTOMER to monitor the quality assurance and improvement activities delegated to contracting practitioners.
3. VSP shall investigate and respond immediately to all quality issues, and shall work with CUSTOMER to resolve any accessibility and other quality issues related to Services provided to Members. VSP shall remedy, as soon as reasonably possible, any condition related to Member care that has been determined by CUSTOMER or any governmental or accrediting agency to be unsatisfactory. The parties shall work together to continuously assess and improve the quality and accessibility of care provided to Members and to resolve problems related to the provision of Services.
4. VSP shall provide information for use in quality assurance and improvement activities conducted by CUSTOMER, including but not limited to

days in advance of a new two-year term. Such advance notice will have the effect of a notice of termination effective as of the end of the current two-year term, unless CUSTOMER accepts the new Capitation Payment rates in writing.

B. Suspension of New Enrollment

If CUSTOMER finds VSP to be out of compliance with the terms of the Agreement, CUSTOMER may, after thirty (30) days written notice to VSP and an opportunity to cure such non-compliance or default within that thirty (30) day period, suspend thereafter enrollment of new Members in VSP's vision plan. Notice provided to VSP pursuant to this section shall include a description of those actions/standards VSP must achieve for enrollment to be resumed. Resumption of enrollment is at the discretion of CUSTOMER.

C. Termination of Agreement

Either party may terminate this Agreement without cause by giving written notice of termination to the other party not less than 90 days prior notice to the other party. Upon notice of termination, the responsibilities of either party shall be as follows:

1. New enrollment with VSP by CUSTOMER shall cease immediately.
2. VSP shall be responsible for Covered Service costs incurred by Members during their period of enrollment with VSP.

D. Termination For Cause

Except as otherwise provided below, if a party materially breaches this Agreement, such as, but not limited to, VSP's failure to maintain the Grievance and Quality Standards set forth in this Agreement, or VSP's failure to provide Covered Services to Members as provided herein, and fails to cure the material breach to the satisfaction of the non-breaching party within 30 days after the non-breaching party gives written notice of the material breach, including as provided in VIII. B, above, the non-breaching party may terminate this Agreement immediately upon written notice to the other party.

E. Immediate Termination.

1. VSP may immediately terminate this Agreement if:
 - a. Failure by CUSTOMER to pay Capitation Payment due to VSP hereunder within fifteen (15) days of the Capitation Payment due date after the expiry of the grace period set forth in IV B. hereof, or failure by CUSTOMER to make any other payments due to VSP hereunder within forty-five (45) days of any such payment's due date.
 - b. Adequate funding is discontinued for the Program or CUSTOMER is dissolved.
2. CUSTOMER may immediately terminate this Agreement if:

B. Worker's Compensation Insurance

If, pursuant to any Workers' Compensation or Employer's Liability Law or other legislation of similar purpose or import, a third party is responsible for all or part of the cost of vision Services provided by VSP, then VSP shall be entitled to assert a lien to the extent of the reasonable value of the Services provided by VSP. The lien may be filed with the responsible third party, his or her agency, or the court. For purposes of this subsection, reasonable value shall be determined to be a reasonable charge for Services in the geographic area where the Services are rendered.

X. GENERAL PROVISIONS

A. Indemnification

In connection with the obligations imposed by this Agreement, VSP and CUSTOMER shall each indemnify and hold harmless the other, including its officers, directors, agents, and employees, from and against any and all loss, damage, liability, or expense (including without limitation, reasonable attorney's fees), of any kind arising by reason of the acts or omissions of the respective party's officers, directors, agents, employees, contractors, agents and shareholders acting alone or in collusion with others. CUSTOMER and VSP shall promptly notify the other party hereto of any claims or demands which arise and for which indemnification is sought. The terms of this Section shall survive the termination of this Agreement.

B. Hold Harmless

In the event CUSTOMER fails to make any payments to VSP as provided herein, whether from CUSTOMER'S insolvency or otherwise, Members shall not be liable to VSP, under any circumstances, for Covered Services.

C. Compliance with Laws

VSP represents and warrants that it is currently, and for the duration of this Agreement shall remain, in compliance with all applicable local, state and federal laws and regulations, including, but not limited to, those (i) regarding licensure and certification; (ii) regulating the operations and safety of facilities; and (iii) regarding federal and state Occupational Health and Safety Administration (OSHA) standards. Any provision required to be in this Agreement by the Knox-Keene Act and the rules and regulations promulgated thereunder, shall bind VSP whether or not provided in this Agreement. VSP acknowledges that it is subject to the requirements of Chapter 2.2 of Division 2 of the Health and Safety Code and of Sections 1300.43 through 1300.826 of Chapter 1 of Title 28 of the California Code of Regulations. VSP agrees that it shall be in compliance with the requirements of HIPAA, and the laws and regulations promulgated subsequent hereto.

D. Nondiscrimination

1. VSP represents and assures that Covered Services are provided to Members in the same manner and quality as such Services are provided to

4. Government-Required Information. VSP shall supply CUSTOMER with periodic reports and information pertaining to Services provided to Members by VSP or its subcontracted Participating Providers, on such forms and within such times as requested by CUSTOMER and which shall enable CUSTOMER to meet all federal, state, local and contractual reporting requirements.

5. Certification Of Accuracy Of Data. VSP recognizes that CUSTOMER is required to certify the accuracy, completeness and truthfulness of data that Governmental Officials and accrediting organizations request. Such data include encounter data, payment data, and any other information provided to CUSTOMER by its contractors and sub-contractors. VSP hereby represents and warrants that any such data submitted to CUSTOMER by VSP shall be accurate, complete and truthful to the best of VSP's knowledge. Upon request, VSP shall make such certification in the form and manner specified by CUSTOMER in order to meet regulatory and accreditation requirements.

6. Confidentiality Of Patient Information. The parties shall keep any patient information confidential in compliance with all applicable state and federal law, including, but not limited to, HIPAA. This prohibition on disclosure does not apply to information: (i) required by law to be disclosed or to be provided to Government Officials or governmental agencies; (ii) accreditation organizations; (iii) disclosed in legal or government administrative proceedings; (iv) was publicly known at the time of the disclosure; or (v) becomes publicly known through no fault of the disclosing party after the disclosing party's receipt of the confidential information.

F. Notice of Changes and Enforcement Actions

Each party shall promptly notify the other in writing: (1) if any of the representations and warranties set forth in the Agreement shall cease to be true at any time during the term of this Agreement; (2) of any regulatory enforcement action taken against it; (3) of any change in control or ownership; or (4) of any other material change in the party's business, partnership or corporate organization.

G. Review of Materials

VSP agrees that CUSTOMER shall have the right to review and approve all marketing and collateral materials including VSP's Provider Directory and correspondence related to the Healthy Kids Program between VSP and Members before VSP uses such materials in any marketing activity. CUSTOMER agrees to review and approve or reject all materials submitted by VSP within thirty (30) calendar days of submittal by VSP.

H. Maintenance of Insurance

The parties shall each maintain at its own expense the following insurance: (i) a policy of commercial general liability and property damage insurance with limits of liability not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) annual aggregate; and (ii) such other insurance or self insurance as shall be necessary to insure it against any claim or claims for damages arising under this Agreement, including claims arising by reason of personal injury or death in connection with the performance of any Service, or

L. Governing Law

CUSTOMER, VSP and this Agreement are subject to the laws of the State of California and the United States of America including, but not limited to, the California Knox-Keene Act and the regulations promulgated thereunder by the California Department of Managed Health Care, and the Health Insurance Portability and Accountability Act (HIPAA). Any provision required to be in this Agreement by any of the above Acts and regulations shall bind CUSTOMER and VSP, whether or not expressly provided in this Agreement.

M. Non-Exclusivity

This is not an exclusive Agreement. VSP and CUSTOMER may enter into similar agreements with other parties.

N. Waiver

A failure of either party to exercise any right provided for herein shall not be deemed a waiver of any right hereunder. No party shall be deemed to have waived any rights hereunder unless the waiver is made in writing and is signed by the waiving party's duly authorized representative.

O. Severability

If any one or more of the provisions of this Agreement is held invalid or unenforceable, the remaining provisions shall continue in full force and effect.

P. Interpretation of Agreement

This Agreement shall be interpreted according to its fair intent and not for or against any one party on the basis of which party drafted the Agreement. Section headings are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Q. Entire Agreement

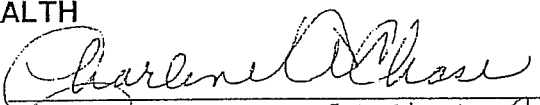
This Agreement, including the Exhibits attached hereto, contains the entire agreement of the parties and as of the Effective Date supersedes any prior contracts, agreements, negotiations, proposals or understandings relating to the subject matter of this Agreement.

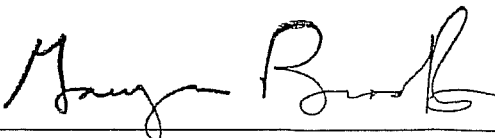
R. Unusual Or Unexpected Circumstances

Neither party shall be liable nor deemed to be in default for any delay or failure in performance under this Agreement or other interruption of service deemed resulting, directly or indirectly, for Acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, machinery or supplies, vandalism, strikes or other work interruptions by either party's employees or any similar or dissimilar cause beyond the reasonable control of either party. However, both parties shall make good faith efforts to perform under this Agreement in the event of any such circumstances.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized representatives as of the dates set forth below.

FOUNDATION OF SANTA BARBARA REGIONAL VSP
HEALTH AUTHORITY, INC. d/b/a DOORWAY TO
HEALTH

By: 
Name: ~~Chase, D.S.~~ CHARLENE A. CHASE
Title: Chair, Board
Date: 12/1/05

By: 
Name: Gary N. Brooks
Title: Senior Vice President, Operations
Date: 11/28/05

EXAMINATION PAYABLE BY THE COVERED PERSON TO THE PARTICIPATING PROVIDER AT THE TIME SERVICES ARE RENDERED; IF MATERIALS (LENSES AND FRAMES) ARE PROVIDED, THERE SHALL BE AN ADDITIONAL FIVE DOLLAR (\$5.00) COPAYMENT PAYABLE AT THE TIME MATERIALS ARE ORDERED.

4. PRIMARY EYECARE

Primary Eyecare is available to Covered Persons for the detection, treatment, and management of ocular conditions and/or systemic conditions, which produce ocular or visual symptoms. Under the Plan, Member Doctors provide management of urgent and follow-up Services. Benefits and limitations are set forth more fully in the attached Primary Eyecare Addendum.

- D. When the Member doctor has completed the Services, he will fill out the necessary paperwork and mail it to VSP. VSP will pay the Member Doctor directly according to VSP's agreement with the Doctor.

V. COPAYMENT

The benefits described herein are available to each Covered Person from any participating Member Doctor at no cost to the Covered Person except there shall be a copayment amount of \$5.00 payable by the Covered Person to the Member Doctor at the time of each Primary Eyecare office visit.

VI. EXCLUSIONS AND LIMITATIONS OF BENEFITS

The Primary Eyecare Plan is designed to cover Primary Eyecare Services only. There is no coverage provided under the Plan for the following:

1. Costs associated with securing materials such as lenses and frames.
2. Orthoptics or vision training and any associated supplemental testing.
3. Surgical or pathological treatment.
4. Any eye examination, or any corrective eye wear, required by an employer as a condition of employment.
5. Services obtained from a Non-Member Provider.
6. Medication.
7. Corrective vision treatment of an experimental nature such as, but not limited to, RK and PRK Surgery are not covered under this Plan.

VII. REFERRALS BY THE MEMBER DOCTOR

The Member Doctor will refer the patient to another doctor under the following conditions:

1. If the patient requires additional Services which are covered by the VSP Primary Eyecare Plan but are not provided in his office, the Member Doctor will refer the patient to another Member Doctor or to the major medical physician whose offices provide the necessary Services.
2. If the patient requires Services beyond the scope of the VSP Primary Eyecare Plan, the Member Doctor will refer the patient back to the major medical physician.
3. If the patient requires emergency Services beyond the scope of the VSP Primary Eyecare Plan, the Member Doctor will make a "STAT" (emergency) referral by calling either another Member Doctor or the major medical physician.

EXHIBIT B
VSP PROVIDER DIRECTORY



California Doctor Directory
VSP Select Network
October 2005

California Select Network

Santa Barbara County

Carpinteria

Teresa A. Mayhew, OD 5434 Carpinteria Ave (805) 684-5476

Lompoc

Peter M Brudner, OD 700 North H St (805) 736-7858

Kenneth R Kendall, OD 700 North H St (805) 736-7858

Daniel R Taketa, OD 611 E Ocean Ave (805) 736-7010

S. John Wiley, OD 1305 N H St Ste E (805) 736-3488

Dale A Young, OD 700 North H St (805) 736-7858

Montecito

Cornelius Matus, OD 1125 Coast Village Rd (805) 969-5717

Santa Barbara

Stephanie A Barris, OD 1629 State St Ste 1 (805) 569-2318

Tiffany D Corby, OD 5300 Hollister Ave (805) 692-6977

William H Couker, MD 533 E Michelsonena St Ste 103 (805) 564-8917

Thomas M Fausset, OD 2034 Cliff Dr (805) 965-5223

Jeanne C Gronquist, OD 1805 State St Ste B (805) 569-1504

Tem R Gronquist, OD 1805 State St Ste B (805) 569-1504

Robert A Kolarczyk, MD 1801 State St Ste C (805) 569-1000

Jerry D Neal Jr, OD 1933 Cliff Dr Ste 29 (805) 682-4459

Taka Nomura, OD 5300 Hollister Ave (805) 692-6977

Michael J Paveloff, MD 1933 Cliff Dr Ste 29 (805) 682-4459

Wendy L Santizo, OD 1629 State St Ste 1 (805) 569-2318

John Lucas Small, OD 2034 Cliff Dr (805) 965-5223

Luke A Werkhoven, OD 5300 Hollister Ave (805) 692-6977

Dawn M Woods, OD 5300 Hollister Ave (805) 692-6977

Wilson C S Wu, MD 200 N La Cumbre Rd Ste C (805) 687-8111

Santa Maria

David P Alford, OD 937 E Main St Ste 102 (805) 922-1923

Stephen S Bylsma, MD 1414 E Main St (805) 925-2637

Heather M Cocklan, OD 2530 S Broadway Ste E (805) 922-9111

James T Franta, OD 1414 E Main St (805) 925-2637

Patrick A Lenowski, OD 1429 S Broadway (805) 925-9575

John C Moessinger, OD 1414 S Miller St Ste B (805) 928-5959

Ron T Ng, OD 610 E Chapel St Ste C (805) 928-2020

William O Pimentra, OD 4850 S Bradley Rd (805) 937-9532

John R Prewett, OD 1429 S Broadway (805) 925-9575

EXHIBIT C
SCHEDULE OF COPAYMENT AND PREMIUMS

COPAYMENT

PREMIUM

\$5.00 Exam Copayment
\$5.00 Materials Copayment

\$2.11 PER COVERED PERSON PER MONTH

Within 60 days following the first 12 months of the current Plan Term, VSP shall provide in writing to CUSTOMER the utilization figures for the preceding 12 months of the Plan Term. In the event that Group's utilization profit/loss ratio exceeds 110 or goes below 90, VSP shall submit to Group, proposed increased or decreased rates. Upon mutual agreement the new rates will be prospectively adjusted, effective 30 days thereafter. Should the parties be unable to agree upon revised rates, this contract may be terminated in accordance with its termination provision.

**FIRST AMENDMENT TO AGREEMENT BETWEEN
FOUNDATION OF SANTA BARBARA REGIONAL HEALTH AUTHORITY, INC.,
AND
SANTA BARBARA REGIONAL HEALTH AUTHORITY
FOR HEALTHY KIDS PROGRAM**

This is an agreement ("Agreement") by and between FOUNDATION OF SANTA BARBARA REGIONAL HEALTH AUTHORITY, INC., dba Doorway to Health (referred to herein as "DTH"), a California non profit corporation, and SANTA BARBARA REGIONAL HEALTH AUTHORITY ("Authority"), a body corporate and politic, operating as a county organized health system, under which DTH shall pay Authority to arrange for the delivery of health care services to eligible children from zero (0) years of age through eighteen (18) years of age in a health insurance program providing medical services, known as the Healthy Kids Program.

RECITALS

WHEREAS, DTH is supported by various public and private entities and individuals in Santa Barbara County and funds for the project have been designated by various public and private entities and individuals in an effort to ensure health insurance for currently uninsured children in Santa Barbara County;

WHEREAS, DTH desires to make health care available to uninsured children from age 0 through 18 years of age residing within Santa Barbara County;

WHEREAS, a new 501(c)(3) not-for-profit corporation to do business in the State of California is being formed to replace DTH in contracting with Authority for the delivery of the health services which are the subject of this Agreement; and

WHEREAS, Authority is licensed under the Knox-Keene Act to operate a health care service plan, with the experience, resources and expertise to arrange for medical managed care services for children residing in Santa Barbara County.

NOW THEREFORE, the parties agree as follows:

1. Nature of Services.

Authority will arrange for the Covered Services defined and described in the Healthy Kids Program Combined Evidence of Coverage and Disclosure Form – Exhibit A, attached hereto and incorporated herein by this reference, to an applicant or child who has been deemed eligible for participation in the Healthy Kids Program ("Member").

2. Term of Agreement.

This Agreement is effective from July 1, 2007 through June 30, 2008, unless terminated earlier in accordance with Section 5.

3. Compensation

A. Compensation

The total compensation for this Agreement, including health care premiums shall be calculated by multiplying the premium per enrollee by the number of enrollees per month. On or before the 20th day of each month, Authority will generate an invoice and an eligibility report setting forth each Member eligible for coverage in the Healthy Kids Program for the following calendar month. Thereafter, the premium for each Member to be covered in the succeeding calendar month shall be remitted by DTH to Authority office so that it is received on or before the 25th day of the month by either electronic funds transfer or wire transfer of funds.

B. Premiums

DTH shall compensate Authority for Covered Services described in Exhibit A provided to eligible children enrolled in the Healthy Kids Program under this Agreement in accordance with the Premium Schedule set forth in Exhibit B, attached hereto and incorporated herein by this reference. DTH has obtained commitments from public and private entities to pay the premium costs for Members of the Healthy Kids Program.

4. Conditions

This Agreement is contingent upon the following requirements: (a) in exchange for the Premiums paid by DTH, Authority will arrange for the delivery of health care benefits via the Healthy Kids Program to eligible children from newborn through age eighteen; (b) any child receiving said benefits shall be a resident of Santa Barbara County; (c) unless disenrolled in accordance with the provisions of Exhibit A, a Member shall be eligible for coverage for twelve (12) consecutive months from the anniversary date of that Member's enrollment; and (d) said child's family has an income at or below 300% of the federal poverty level, are uninsured, and the child is not eligible for Medi-Cal or Healthy Families, as determined by Authority. DTH will rely on Authority's determination of eligibility to submit premiums for eligible Members. DTH shall make disenrollment decisions in accordance with all required notice provisions set forth in the Knox-Keene Act, and shall promptly notify the Authority of any such Member disenrollment.

5. Termination

A. Termination for Cause

(1) Prior Notice Requirement:

Either party may terminate this Agreement for cause upon written notice of the specific grounds for the termination in accordance with this subparagraph unless said grounds are remedied, as provided herein. Such written notice shall be delivered to the other party at least ninety (90) days prior to the date of termination. The non-terminating party shall be given the opportunity to cure the alleged breach or remedy the alleged problem to the satisfaction of the terminating party within this 90-day period.

For purposes of this subparagraph, "for cause" includes, but is not limited to, any of the following:

- (a) material breach of a term of this Agreement, including, without limitation, the failure to pay premiums when due;
 - (b) violation of any applicable laws or regulations;
 - (c) assignment by Authority of this Agreement without the written consent of DTH; or
 - (d) failure to provide Covered Services, as described in Exhibit A, in a manner consistent with community standards.
- (2) Immediate Termination:
- (a) DTH will terminate this Agreement and transfer or assign, as applicable, all its rights and obligations under this Agreement concurrently with formation and approval by the IRS of a new 501(c)(3) to replace DTH, as more particularly described in the Recitals set forth in this Agreement.
 - (b) DTH may terminate this Agreement immediately if Authority loses its license to operate a health care service plan.

B. Termination upon Occurrence of Action

If either party receives notice of any Action and the parties acting in good faith are unable to agree upon or make the amendments to the Agreement that are necessary to comply with the Action, or the parties determine in good faith that compliance with the Action is impossible or infeasible, either party may terminate this Agreement upon giving thirty (30) days written notice to the other, unless a shorter or longer notice is required by law or by a state or federal regulatory agency.

"Action" shall mean any legislation, regulation, rule or procedure passed, adopted or implemented by any governmental or legislative body or agency or other third party, or any notice of a decision, finding or action by any governmental or private agency, court or other third party which in the reasonable and good faith opinion of counsel for either party, if or when implemented would: (i) revoke or jeopardize the status of any license or permit granted to either party; or (ii) subject either party or any of its employees or agents to civil or criminal prosecution or liability on the basis of their participation in executing or performing their obligations under this Agreement.

6. Reporting Requirements

For each quarter, if requested by DTH, Authority shall provide a written report to DTH, no later than thirty (30) calendar days following the last business day of each quarter, setting forth the following information:

- A. The total number of children enrolled in the Healthy Kids Program through DTH funding and the dates of enrollment; and

- B. The total number of children disenrolled, if any, tabulated according to the reason(s) for disenrollment, from the Healthy Kids Program.

Authority shall also prepare and provide additional special reports as reasonably requested by DTH in the nature of Member grievances, provider grievances and Mental Health services utilization data. However, Authority shall not be required to provide information that is required by state or federal law to be kept confidential. All reports shall be in a mutually agreeable format approved by DTH and shall include any additional information or supporting documentation reasonably requested by DTH.

7. Inspection and Audit.

A. All records, books, reports, and documentation maintained by Authority pursuant to this Agreement, or related to Authority's activities and expenditures under this Agreement, shall be open for inspection and audit at Authority's premises by DTH and federal, state, and county officials upon demand at reasonable times and upon reasonable notice.

B. Authority shall submit to DTH a complete audited financial statement conducted by an independent, certified public accountant, no later than four (4) months after the end of each fiscal year. The financial statement audit shall indicate that reported costs are actual, reasonable, necessary, allowable, and computed in accordance with generally accepted accounting principles.

8. Conflicts of Interest.

In accepting this Agreement, Authority covenants it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance/delivery of Covered Services in accordance with Exhibit A or with the performance of the terms of this Agreement. Authority further covenants that, in the performance of this Agreement, it will not knowingly employ any contractor or person having such an interest.

9. Indemnification.

DTH and Authority agree that each of the parties hereto shall fully indemnify and hold each of the other parties, their officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying party, its officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under this Agreement. No party, nor any officer, board member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of other parties hereto, their officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such other parties under this Agreement.

10. No Third Party Beneficiaries

This Agreement is made solely for the benefit of the parties to this Agreement and their respective successors and permitted assigns, if any, and except as provided in Section 17, no other person or entity shall have or acquire any right by virtue of the Agreement.

11. Obey All Laws.

During the term of this Agreement, Authority and DTH shall comply with all applicable federal, state, and local rules, regulations and laws, including, without limitation, the Knox-Keene Act and its regulations.

12. Record Retention.

Records relating to this Agreement shall be maintained during the term of the Agreement and for a period of at least three (3) years from the date of termination unless a longer period is required by law, or until all claims, if any, have been resolved, whichever period is longer.

13. Monitoring Obligations.

Authority shall promptly advise the Development Director of DTH of any: (a) Action; (b) legal complaint by an enforcement agency, or of any enforcement proceedings by any federal, state or local agency for alleged violations of federal, state or local rules, regulations or laws; or; (c) citation, court finding or administrative finding for violations of applicable federal, state or local rules, regulations or laws relating to Authority's licensure as a health care service plan.

14. Failure to Comply.

The failure of Authority to comply with Section 8, 9 or 11 or any portion thereof, and/or the breach of Authority's warranty thereunder, may be considered a material breach of this Agreement and may, at the option of DTH, constitute grounds for the termination and/or non-renewal of the contract pursuant to the provisions of Section 5A (1) of the Agreement.

15. Notices.

All notices required by this Agreement will be deemed given when in writing and delivered personally or deposited in the United States mail, postage prepaid, return receipt requested, addressed to the other party at the address set forth below or at such other address as the party may designate in writing in accordance with this section:

To: Santa Barbara Regional Health Authority: 110 Castilian Drive Santa Barbara, CA 93117-3028 Attention: Chief Executive Officer	To: Doorway to Health: 110 Castilian Drive Santa Barbara, CA 93117-3028 Attention: Development Director
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16. Governing Law.

This Agreement has been executed and delivered in, and will be construed and enforced in accordance with, the laws of the State of California. The parties agree that venue shall be Santa Barbara County for all purposes.

17. Assignment.

Authority has been selected to perform services under this Agreement based upon the qualifications and experience of Authority's personnel. Authority may not assign this Agreement or the rights and obligations hereunder without the specific written consent of DTH. DTH will assign all its rights, duties and obligations under this Agreement to a 501(c)(3) not-for-profit corporation formed to carry out the duties of DTH as soon as such corporation has been provided with its federal tax exempt status and is able to do business in the State of California. Authority agrees to accept such assignment and treat the successor 501(c)(3) corporation as if it were the contracting entity for all purposes under this Agreement. upon such assignment, such replacement 501(c)(3) covenants to comply with all rights, duties and obligations of DTH under this Agreement.

18. Relationship of Parties.

Authority will perform all work and services described herein as an independent contractor and not as an officer, agent, servant or employee of DTH. None of the provisions of this Agreement is intended to create, nor shall be deemed or construed to create, any relationship between the parties other than that of independent parties contracting with each other for purpose of effecting the provisions of this Agreement. The parties are not, and will not be construed to be in a relationship of joint venture, partnership or employer-employee. Neither party has the authority to make any statements, representations or commitments of any kind on behalf of the other party, or to use the name of the other party in any publications or advertisements, except with the written consent of the other party or as is explicitly provided herein. Authority will be solely responsible for the acts and omissions of its officers, agents, employees, and subcontractors, if any.

19. Approval of Material.

Authority will use best efforts to supply marketing and collateral materials to DTH for review and approval prior to publication. Such materials include, but are not limited to the provider directory and correspondence related to the Healthy Kids Program in Santa Barbara County that is between the Authority and Members. DTH agrees to review and approve or reject all materials submitted by Authority within thirty (30) days of submittal to DTH by Authority. Should DTH not respond within such thirty (30) days, such non-response shall be deemed approval

20. Entire Agreement.

This document with its attachments and exhibits represents the entire Agreement between the parties with respect to this subject matter. All prior negotiations and written and/or oral agreements between the parties with respect to the subject matter of this Agreement are merged into this Agreement.

21. Amendments.

This Agreement may be amended only by a written instrument signed by authorized representatives of the parties.

22. Counterparts.

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

23. Severability.

If any provision of this Agreement is found by a court of competent jurisdiction to be void, invalid or unenforceable, the same will either be reformed to comply with applicable law or stricken if not so conformable, so as not to affect the validity or enforceability of this Agreement.

24. Waiver.

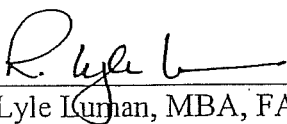
No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a party must be in writing, and shall apply to the specific instance expressly stated.

25. Attorneys' Fees.

If either party defaults in the performance of any of the provisions of this Agreement, the losing party agrees to pay the prevailing party's fees and costs, including reasonable attorneys' fees; whether suit is actually filed or not.

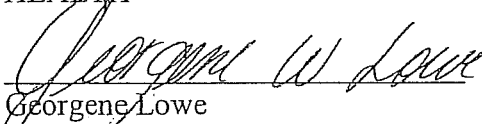
The authorized representatives of DTH and Authority execute this Agreement in duplicate originals as set forth below:

SANTA BARBARA REGIONAL
HEALTH AUTHORITY



R. Lyle Luman, MBA, FACHE
CEO

FOUNDATION OF SANTA BARBARA REGIONAL
HEALTH AUTHORITY, DBA DOORWAY TO
HEALTH



Georgene Lowe
Board of Directors

Date: 07/13/07

Date: 7/12/07

Attached Exhibits:

- Exhibit A: Healthy Kids Program Combined Evidence of Coverage and Disclosure Form
- Exhibit B: Premium Schedule

Exhibit A
**Healthy Kids Program Combined Evidence of Coverage and
Disclosure Form**

Healthy Kids Program Combined Evidence of Coverage and Disclosure Form will be included as Exhibit A.

Exhibit B

Premium Schedule

Premium per Member per month	\$78.00
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