

ATTACHMENT B

HEALTH SERVICES AGREEMENT

HEALTH SERVICES AGREEMENT

This Health Services Agreement ("Agreement") is made and entered into as of July 1, 2025 (the "Effective Date") by and between Marathon Health, LLC ("Marathon") and County of Santa Barbara ("County"), acting on behalf of County's collective insured health plans ("Plan"). All references to County in this Agreement shall be deemed to refer to it as acting in its capacity as Plan Administrator or on behalf of the Plan.

RECITALS

WHEREAS, HealthStat Wellness, Inc. ("HS"), has operated two health and wellness centers (the "Health Centers") for County employees and qualified dependents in Santa Barbara County since 2009, providing certain preventive, wellness, disease management, health consultation, occupational health and/or primary care services (the "Services"); and

WHEREAS, as a result of these clinics, County has reduced health insurance costs and improved employee health; and

WHEREAS, County has determined that it is in the best interests of the Plan and County employees to continue the business relationship with HealthStat's successor in interest, Marathon, for ongoing operation of the Health Centers;

NOW, THEREFORE, in consideration of the mutual premises, promises, covenants and conditions contained herein, and as hereinafter set forth, the parties agree as follows:

1. **Health Services.** Marathon shall provide the services to the Plan and its eligible Members, as set forth in this Agreement. County shall provide the assistance described thereafter to increase the Benefits achieved. For purposes of this Agreement: (i) the term "Patient" shall mean any County employee and qualified dependent that visits a Health Center for health services at least one time in any consecutive 18-month period; and (ii) the term "Member" means any Plan participant eligible for the Marathon services described in this Agreement.

- 1.1. **Establishment of Health Centers.**

- 1.1.1. Marathon shall provide licensed and certified health providers, including nurse practitioners, and other clinic staff (collectively, "Care Providers"), who are employed or contracted by Marathon. Nurse practitioners or any other advanced practice providers ("APPs") staffed at the Health Centers shall be supervised and overseen as described in the Collaborative Practice Agreement between the APP(s) and licensed physicians or physician practices (hereinafter referred to as "Group" or "Groups" which term shall include an independent physician, sole physician practices, or practices with multiple physicians). The APP(s) shall provide services to eligible Clinic Participants consistent with reasonable and appropriate standards of community-based primary care providers. Each APP and the Group(s) shall be certified in their medical specialty and shall meet all state requirements for continuing education and peer review. Each APP and Group shall remain in good standing with the state licensing authority governing the practice of

medicine within the state where the Health Centers are located. Each Group shall supervise and oversee each APP at every Health Center location in accordance with applicable state law. Every Marathon contract with a Group shall contain provisions requiring the Group to comply with all applicable state laws in the provision of professional medical services at the Health Centers and require that each Group carry medical malpractice insurance.

1.1.2. County shall be responsible for establishing Health Center facilities for use by Marathon in the locations set forth in Exhibit A and according to Marathon's standard Health Center specifications. Marathon acknowledges that the Health Centers, as currently configured, satisfy Marathon's requirements for Health Center configuration. County shall be responsible for managing the maintenance and repairs and any renovation or preparation of the physical space for the Health Centers and all costs associated therewith.

1.1.3. Marathon shall use its best efforts to staff the Care Providers indicated on Exhibit A in order to provide hours of service at the Health Centers as mutually agreed to by the parties and set forth in Exhibit A attached hereto, which may be amended from time to time.

1.1.4. Marathon shall provide backup coverage for Health Center staff as follows:

1.1.4.1. Marathon shall provide temporary staff coverage only for primary care provider (e.g. APP or physician) absences for normal vacation time when Patient care cannot be covered by other care providers at the Health Center or virtually. Virtual care will always be available as a backup when primary care provider is not available in-person. Appointment schedules for other Health Center staff members will be adjusted to accommodate their absences for normal vacation time.

In the event of an unexpected primary care provider absence (e.g., sickness or personal emergency), the Health Center shall remain open and services shall continue, to the extent possible, by other qualified providers, either in in-person or virtually. Up to five (5) days of such unexpected absences that result in no primary care services being available to the Patients either in-person or virtually shall be allowed per year, per Health Center. If primary care services are unavailable in-person or virtually for more than five (5) days per year through any Health Center, then as County's sole and exclusive remedy for such lack of availability, Marathon will provide a fee credit commensurate with the number of days (greater than 5) that primary care services are unavailable.

1.2. Education of workforce about Marathon Services. In each education session, Marathon shall provide education to County's employees about the services offered by Marathon and the benefits which Members may derive from using the services provided by Marathon. At County's request, Marathon shall participate in an employee health fair at no additional charge. Marathon may participate in other wellness activities as may be sponsored by County; provided, however, that if such participation requires to Health Center staff to work additional hours in excess of the staff's regularly scheduled weekly hours, Marathon and County will agree in writing for any additional costs payable for such staffing. County acknowledges that involving Health Center staff in such events may cause a closure of the Health Center or otherwise affect Health Center hours, and County will hold Marathon harmless for such closure of the Health Center or delay in services.

1.3. Periodic Reports. Marathon shall produce the following reports for County and County's group health plan in its standard formatting:

1.3.1. Monthly Reports

- 1.3.1.1. Engagement Trends demonstrating engagement over time and compared to prior period including usage by member type, location, risk level, service type, in-person vs. virtual, etc.
- 1.3.1.2. Health Center Utilization
- 1.3.1.3. Appointment detail report demonstrating the number of visits, type of visits and length of visits
- 1.3.1.4. Lab utilization report demonstrating the type, number and cost of laboratory services provided in the Health Center
- 1.3.1.5. Drug and immunization utilization report demonstrating the type, number and cost of drugs dispensed at the Health Center
- 1.3.1.6. Operational stats such as unfulfilled care rate, no-shows, volume by day and hour
- 1.3.1.7. Biometric and Condition Risk Stratification and improvement in biometric results
- 1.3.1.8. Patient Satisfaction and comments including NPS, wait-time, quality etc.

1.3.2. Annual/Semi-Annual Reports

- 1.3.2.1. Annualized and semi-annualized view of monthly reporting
- 1.3.2.2. Cost savings reporting (contingent on County sharing medical and pharmacy claims data appropriate to the size of County)
- 1.3.2.3. Performance guarantee reconciliation (annual or as applicable)
- 1.3.2.4. Health improvement including reporting on clinical quality measures to demonstrate clinical marker movement across key areas of healthcare
- 1.3.2.5. Top lab visit types and volume

1.3.3. Additional Reporting. From time to time, Marathon may include certain additional reporting on return on investment or benchmarking reports in its standard reporting package. Availability of such reports depends on Client's provision of medical and pharmacy claims data not subject to restrictions on use in benchmarking or other comparative purposes.

- 1.3.4. **Data Extracts.** Upon request by the County and subject to the execution of data sharing agreement by County's vendor, Marathon will provide its standard extract file (which includes, but is not limited to, Demographics, Biometrics, Appointments, Diagnosis, Drugs, Labs, Lab Results and Incentives) to one (1) third-party vendor designated by County. County will encourage its third party vendor to use Marathon's form of data sharing agreement to facilitate timely implementation of this request. Marathon's standard extracts are available on a monthly basis in a generally accepted format to allow for the integration with claims data.
- 1.3.5. **Custom Reporting.** Marathon will provide additional customized reports if requested by Client and agreed upon by Marathon. Custom reporting requests are subject to an additional charge based on Marathon's standard rates for professional services.
- 1.3.6. **Web-Based Dashboard.** Marathon will grant a revocable license to up to three (3) users designated by County to access Marathon's reporting dashboard. The reporting dashboard allows users to view, interact with and analyze County data.
- 1.3.7. **Client Deliverables.** To the extent that any reporting is conditioned upon the performance of health risk assessments and/or Marathon's receipt of historical and ongoing claims information and County chooses not to pursue or provide such information, Marathon will be relieved from providing such reporting. All reports shall be HIPAA compliant and shall be deemed accepted and free from defect absent objection raised within thirty (30) days of receipt. No Protected Health Information about any Patient shall be released to County in any report unless such Patient has provided his or her prior written authorization or unless such information is released in accordance with HIPAA and the California Confidentiality of Medical Information Act.

1.4. Health Assessment(s) and Interventions.

- 1.4.1. At the request of County and for an additional cost, Marathon will arrange for mass health risk assessment events for Members. If applicable, Marathon will contract and help coordinate these events with a third-party vendor to provide these services at a suitable location specified by County. Terms to be mutually agreed in a service order to be executed by and between Marathon and County. Marathon agrees to provide a credit in the amount shown in Exhibit B to be applied towards the cost of conducting mass health risk assessment events.
- 1.4.2. If County elects to engage a third party to perform health risk assessments, County shall direct the third-party vendor to supply health assessment results to Marathon. Additional charges may apply.

1.5. Appointment of Account Manager. Marathon shall appoint an Account Manager and provide notice to County of the appointment within ten (10) days of the date this Agreement is executed. The Account Manager will serve as a single point of contact for triaging issues that may be handled by Marathon's team of analysts, care providers, communications resources and others to ensure any issues are identified and addressed quickly. In addition, the Account Manager will:

1.5.1. Conduct monthly and quarterly reviews with County to discuss the data presented in the reports described in Section 1.3.

1.5.2. Work with County to develop a quarterly engagement plan for the promotion of the health services available to Members.

1.5.3. Collaborate with County's broker/consultant, as well as other health-related vendors as needed to ensure that the Plan's health and wellness resources are fully leveraged.

1.6. Hiring and Disciplinary Authority.

1.6.1. Marathon retains exclusive authority as to the hiring and termination of any personnel staffed at the Health Center. Prior to the hiring of any permanent staff at a Health Center, Marathon will consult with County with respect to the proposed staff person. Marathon will promptly address any reasonable County concerns regarding personnel conduct at the Health Center and take appropriate action which may include immediate removal of personnel from the Health Center and, at Marathon's sole discretion, termination if Marathon determines that such action is warranted.

1.6.2. If a Care Provider is terminated for Good Cause (defined below), then Marathon will assume 100% of the cost of obtaining interim Care Provider services, recruiting a new Care Provider (including any signing bonus), and training a Care Provider (collectively, the "Transition Costs"). If a Care Provider is terminated without Good Cause at any time during the Term in order to satisfy a request of County or due to any modification or reduction to the Health Services to be provided (for example, a reduction in operating hours due resulting in the reduction of staff), then County shall pay to Care Provider the Transition Costs and the cost of the Provider's severance, which may not exceed an amount equal to 90 days' salary. As used in this paragraph 1.6.2, "Good Cause" means personal misconduct or a breach of this Agreement caused by the actions of a Care Provider that has not been cured.

1.7. Professional Conduct of Care Providers. The professional conduct of the Care Providers shall be governed by applicable state laws and the policies and procedures of the supervising Group. Neither Marathon nor the County shall control the professional judgment of the Care Providers. Neither Marathon nor County shall intervene in any way

or manner with the services provided by Care Provider unless Care Provider's actions are in violation of the policies, rules, or regulations of conduct governing employees at County's place of business. It is understood between the parties that the traditional, customary, usual and confidential relationship between a health care provider and a patient exist between Care Providers and Patients and all authorized persons seeking the professional services of Care Providers.

1.8. Data Sharing; Protection of PHI.

1.8.1. **Eligibility File.** County agrees to provide Marathon a demographic file for all eligible employees and/or participants (the "Eligibility File"). The Eligibility File will contain the entire population of eligible participants and will adhere to Marathon's content and format specifications set forth in the Marathon Eligibility File Specifications, available on Marathon's contracting resource webpage: <https://marathon.health/contract-resources/>. Notwithstanding the foregoing, Marathon acknowledges that the current Eligibility File format provided by County is acceptable. Changes to the current Eligibility File format that do not conform to Marathon's standard eligibility file specifications may incur additional charges.

1.8.2. Historic Claims Data.

1.8.2.1. County will also provide Marathon with a base of health care information by directing its health insurers to supply the data mutually agreed to by Marathon and County in electronic format compatible with Marathon software systems for Clinic Participants. This delivery of data shall be monthly.

1.8.2.2. County shall instruct each third-party administrator, insurance vendor or other party responsible for managing County's Plan claims system to provide Marathon historical claims data for the 24 months preceding the date of this Agreement, including but not limited to, healthcare claims, pharmaceutical claims, and medical claims for all Clinic Participants that have provided prior written consent. Marathon shall use the data provided to establish and track Clinic Participant utilization trends and insurance cost impacts which shall be provided in the periodic reports generated and supplied to County. All costs associated with the transfer of data to the Marathon database, including but not limited to implementation of a software interface, shall be borne by County.

2. Premises and Support Services of County.

2.1. **Premises.** County shall dedicate such space and facilities as is necessary to meet Marathon's Health Center configuration requirements and shall provide Marathon access to the Health Centers during County's normal business hours. The Parties acknowledge

that the current configuration of the Health Centers satisfy Marathon's Health Center configuration requirements; however, should eligibility for Marathon services be extended to non-employee Plan participants (i.e. spouses and dependents), Marathon and County shall mutually determine such modifications as may be necessary to protect the privacy and comfort of non-employee Plan participants. County shall be responsible for maintaining and securing the safety and safekeeping of the Health Center and all the equipment therein. County shall provide heat and air conditioning, janitorial service, replace light bulbs as needed and maintain other supplies for the Health Centers as described in Exhibit D attached hereto. County shall maintain the safe and proper operation of all equipment located within the Health Center.

2.2. **Hours of Operation.** The weekly schedule for the hours of operation of the Health Centers shall be mutually agreed upon by County and Marathon. Changes to the weekly schedule may be made only upon the mutual written consent of Marathon and County. Mutual acknowledgment by e-mail shall suffice to bind the Parties.

2.3. **Contact Person for Scheduling.** The APP may schedule all appointments at the Health Center. Scheduling of appointments for Patients shall be done in a manner compliant with HIPAA. In addition, Patients may schedule appointments through Marathon's patient portal or mobile application.

3. **Term and Termination.**

3.1. The term of this Agreement shall be for a period of three (3) years, ending June 30, 2028 (the "Initial Term"). Thereafter, this Agreement shall automatically renew for two (2) successive terms of one (1) year (each, "Renewal Term") unless earlier terminated in accordance with the terms of this Agreement as set forth below, or as stated in Section 25 (Nonappropriation), or unless either party gives one hundred twenty (120) days' prior written notice of non-renewal to the other party prior to the expiration of the Initial Term or any subsequent Renewal Term. The Agreement's Initial Term, together with any Renewal Terms, may be referred to herein as the "Term."

3.2. If either party defaults in the performance of any of its obligations hereunder, and such condition of default is not cured within thirty (30) days after delivery of written notice of such condition, the non-defaulting party may, at its option, terminate this Agreement by delivery of written notice of its intention to terminate seven (7) days after the expiration of the thirty (30) day cure period.

In the event an APP resigns, quits, is terminated or is otherwise unable or unwilling to continue at any Health Center location and Marathon is unable to find a suitable replacement after employing reasonable commercial efforts, Marathon may terminate this Agreement with respect to the Health Center where the APP was staffed with thirty (30) days' prior written notice.

3.3. Any outstanding invoices as of the date of termination shall be due and payable according to the terms set forth below. Termination of this Agreement shall not release or discharge either party from any obligation, debt or liability incurred hereunder nor shall termination release or excuse payment for services rendered.

3.4. Consequences of Termination. Upon termination or expiration of this Agreement:

3.4.1. Marathon shall notify each Patient of their options to obtain copies of the medical records.

3.4.2. Marathon shall deliver to County all data, estimates, graphs, summaries, reports, and all other property, records, documents or papers as may have been accumulated or produced by Marathon in performing this Agreement, whether completed or in process, except such items as County may, by written permission, permit Marathon to retain. Notwithstanding anything to the contrary: (i) Marathon shall retain such medical records as may be required by state law; and (ii) Marathon may retain such de-identified information as may have been incorporated in its electronic data warehouse to provide benchmark reporting data to County.

3.4.3. County acknowledges that Marathon will incur additional expenses associated with the de-implementation of its services in a manner that ensures the orderly transition of patient care. Accordingly, County agrees that the final invoice shall include a de-implementation fee not to exceed an amount equal to the Monthly Fee in effect as of the date on which the Agreement is terminated or expired (the "De-Implementation Fee"). The De-Implementation Fee will be used to pay for time and expenses incurred by Marathon in connection with de-implementation of the Marathon Services.

4. Compensation.

4.1. Marathon shall be compensated for its services in accordance with Exhibit B attached hereto.

4.2. County shall remit payment within thirty (30) days of receipt of each invoice issued by Marathon. In the event that payment is not received by Marathon within thirty (30) days of County's receipt of the invoice, a late payment penalty in the amount of one and one-half percent (1½ %) per month shall accrue on the unpaid balance for each month or fraction thereof that payment is late.

5. Ownership of Documents and Intellectual Property.

5.1. County shall be the owner of the following items incidental to this Agreement upon production, whether or not completed: all data collected (except Patient PHI or other

information that may be protected from disclosure to or from County by law), and all documents produced in furtherance of the Services contemplated, including, all photos, designs, and sound or audiovisual recordings (the "Work Product"). Notwithstanding the foregoing, Marathon shall retain all rights to its existing intellectual property incorporated in the Work Product, including, but not limited to, trademarks and educational materials prepared for Marathon's general patient population (the "Marathon IP"). During the Term, Marathon hereby grants to Client a non-exclusive, non-transferable right to reproduce, publish, perform and display the Marathon IP: (i) to fulfill its obligations under this Agreement; and (ii) in County recruiting and benefit materials.

- 5.2. Marathon shall not release any Work Product except after prior written approval of County. Marathon shall be the custodian of all Patient files generated pursuant to this Agreement, and shall comply with all Federal and State confidentiality laws, including Welfare and Institutions Code (WIC) §5328; 42 United States Code (U.S.C.) §290dd-2; and 45 CFR, Parts 160-164 setting forth the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") as further described in the HIPAA Business Associate Agreement attached as Exhibit E. Contractor shall inform all of its officers, employees, and agents of the confidentiality provisions of said laws. To the extent allowable under HIPAA and all other applicable law, County shall have the unrestricted authority to publish, disclose, distribute, and/or otherwise use in whole or in part, any reports, data, documents or other materials prepared under this Agreement
- 5.3. County agrees not to disclose "proprietary information" of Marathon. "Proprietary information" shall have the meaning set forth in subdivision (d) of Section 3426.1 of the California Civil Code which states "Trade secret means information, including a formula, pattern, compilation, program, device, method, technique, or process, that: (1) Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and (2) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy." This provision does not apply to information that is 1) in the public domain through no fault of the receiving party, 2) was independently developed as shown by documentation, 3) is disclosed to others without similar restrictions, 4) was already known by the receiving party, or 5) is subject to disclosure under court order or other lawful process.
- 5.4. County is subject to public disclosure laws including the California Public Records Act (Government Code Section 6250 et seq.) (the "CPRA") and the Brown Act (Government Code Section 54950 et seq.). Marathon acknowledges that County may be compelled to disclose information, which may include information that Marathon may believe is proprietary information pursuant to a valid request under the CPRA or under the Brown Act, unless it meets an exception as set forth in either the CPRA or the Brown Act. Marathon is on notice that this Agreement, its attachments, and invoices made hereon are public records and County is not required to return nor destroy such documents upon termination of this Agreement.

- 5.5. Marathon, at its own expense, shall defend, indemnify, and hold harmless County against any claim that any item provided by Marathon hereunder infringes upon intellectual or other proprietary rights of a third party ("Third Party Intellectual Property Rights"). If Work Product or Services provided by Marathon under this Agreement, becomes, or in Marathon's reasonable opinion may become, the subject of any claim, suit or proceeding for infringement of any Third Party Intellectual Property Rights, or are held or otherwise determined to infringe any Third Party Intellectual Property Rights, Marathon may, at its option and sole expense: (i) secure for the other Party the right to continue using the affected Work Product or Services; (ii) replace or modify the affected Work Product or Services so as to make such Work Product or Services non-infringing without degrading the performance or utility thereof; or (iii) modify the affected Work Product or Services to make it non-infringing without materially reducing functionality or performance of the Services; or, if (i) - (iii) are not commercially feasible, then Marathon may cease providing or making available the affected Work Product or Services to County and, in such case, County may elect to terminate the Agreement without cause upon sixty (60) days' notice. This Ownership of Documents and Intellectual Property provision shall survive expiration or termination of this Agreement.
6. **Standard of Performance.** Marathon represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement. Accordingly, Marathon shall perform all such services in the manner and according to the standards observed by a competent practitioner of the same profession in which Marathon is engaged. Marathon 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 Marathon without additional compensation.
7. **Business Associate.** The County and Marathon acknowledge that HIPAA mandates them to enter into a Business Associate Agreement in order to safeguard protected health information that may be accessed during the performance of this Agreement. Accordingly, the parties agree to the terms and conditions set forth in Exhibit E - HIPAA Business Associate Agreement.
8. **Indemnification and Insurance.** Marathon agrees to defend, indemnify and save harmless the County and to procure and maintain insurance in accordance with the provisions of Exhibit C attached hereto.
9. **Independent Contractors.** It is mutually understood and agreed that Marathon, each Care Provider, and Group (including any and all of their respective officers, agents, and employees) shall perform all of the services contemplated by this Agreement as independent contractors of the County and not as officers, agents, servants, employees, joint ventures, partners or associates of County. Marathon shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, Marathon shall be solely responsible and save County harmless from all matters relating to payment of

Marathon's employees, including compliance with Social Security withholding and all other regulations governing such matters, and payment to Care Providers and Group. It is acknowledged that during the Term of this Agreement, Marathon may be providing services to others unrelated to the County or to this Agreement.

10. **Consents.** Any consent required or any discretion vested in a party to this Agreement shall not be unreasonably withheld or arbitrarily or capriciously exercised.
11. **Governing Law.** This Agreement shall be interpreted according to 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.
12. **Notices.** All notices and other communications required or permitted under this Agreement shall be effective upon receipt or rejection. Any notice shall be delivered to the parties as follows:

County: County of Santa Barbara Human Resources Department
1226 Anacapa Street
Santa Barbara, CA 93101
Fax: 805-568-3272
Attn: Katie Torres, Benefits and Wellness Division Chief

Marathon: Marathon Health, LLC
Attn: Jeff Wells, CEO

Via USPS
P. O. Box 1433
Portsmouth, NH 03802

Via FedEx/UPS
10 W. Market Street, Suite 2900
Indianapolis, IN 46204

13. **Severability Clause.** In the event any term or provision of this Agreement is found to be invalid, illegal or unenforceable, in whole or in part, as drafted, then the offending term or provision shall be deemed severable from the remaining terms and provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other term or provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable term or provision had never been contained herein.
14. **Amendments.** Amendments may be made to this Agreement but only after the mutual approval in writing by County and Marathon. 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.
15. **Non-Assignment.** This Agreement may not be assigned by either party without the prior written consent of the other party, which consent shall not unreasonably be withheld.

16. **Nondiscrimination.** County hereby notifies Marathon 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 Marathon agrees to comply with said ordinance.
17. **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.
18. **Compliance with Law.** Marathon shall, at its 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 Marathon in any action or proceeding against Marathon, whether County be a party thereto or not, that Marathon has violated any such ordinance or statute, shall be conclusive of that fact as between Marathon and County.
19. **Authority.** All signatories and 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, Marathon hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which Marathon is obligated, which breach would have a material effect hereon.
20. **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.
21. **Waiver.** The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as or be construed to be a waiver of any such party's rights with respect to any subsequent breach thereof.
22. **Entire Agreement.** This Agreement supersedes all previous contracts and constitutes the entire agreement between the parties. Marathon and County shall be entitled to no benefit other than those specified herein. No oral statements or prior written material not specifically incorporated herein shall be of any force and effect and no changes in or additions to this Agreement shall be recognized unless and until made in writing signed by all parties hereto.
23. **Use of County Name.** Marathon shall not release any information pamphlets, notices, press releases, research reports, or similar public notices concerning the County or its projects without obtaining the prior written approval of County. Marathon shall not use County's name

or logo or any variation of such name or logo in any public advertising or promotional materials without obtaining prior written approval of County. County expressly consents to the use of County's name in connection with the recruitment of Care Providers to provide health services at the Health Center.

24. Nonappropriation. Notwithstanding any other provision of this Agreement, in the event that no funds, or insufficient funds, are appropriated or budgeted by federal, state or County governments, or funds are not otherwise available for payments in the fiscal year(s) covered by the term of this Agreement, then County will immediately notify Marathon of such occurrence and County may terminate or suspend this Agreement in whole or in part. County shall take commercially reasonable efforts to provide at least sixty (60) days' prior written notice of termination. Subsequent to the termination of this Agreement under this provision, County shall have no obligation to make payments with regard to the remainder of the term, but County shall make payments for services invoiced up to the effective date of termination.

25. Records, Audit and Review. Marathon shall keep those business records or documents created pursuant to this Agreement that would be kept by a reasonably prudent practitioner of Marathon'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 principles. County shall have the right to audit and review all such documents and records at any time during Marathon's regular business hours or upon reasonable notice, not more than once per year or unless otherwise required by law or if County reasonably believes that Marathon is in breach of this Agreement. In addition, if this Agreement exceeds ten thousand dollars (\$10,000.00), Marathon shall be subject to the examination and audit of the California State Auditor, at the request of the County or as part of any audit of the County, for a period of three (3) years after final payment under the Agreement (Cal. Govt. Code Section 8546.7). Marathon shall participate in any audits and reviews, whether by County or the State, at no charge to County.

If federal, state or County audit exceptions are made relating to this Agreement, Marathon shall reimburse all costs incurred by federal, state, and/or County governments associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, reasonable, actual and documented attorneys' fees, travel costs, penalty assessments and all other costs of whatever nature. Immediately upon notification from County, Marathon shall reimburse the amount of the audit exceptions and any other related costs directly to County as specified by County in the notification.

26. Debarment and Suspension. Marathon certifies to County that it and its employees and principals are not debarred, suspended, or otherwise excluded from or ineligible for participation in federal, state, or county government contracts. Marathon certifies that it shall not contract with a subcontractor or NPs or Group(s) that are so debarred or suspended.

27. **Taxes.** County represents and warrants that County is tax-exempt and shall be entitled to withhold any amounts invoiced for sales and use taxes that are not applicable as a result of County's tax-exempt status. Marathon shall pay all taxes, levies, duties, and assessments of every nature due in connection with any work under this Agreement (except for any sales and use tax which shall not apply due to County's tax-exempt status) and shall make any and all payroll deductions required by law. County shall not be responsible for paying any taxes on Marathon's behalf, and should County be required to do so by state, federal, or local taxing agencies, Marathon 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.
28. **Conflict of Interest.** Marathon covenants that Marathon presently has no employment or interest and shall not acquire any employment or interest, direct or indirect, including any interest in any business, property, or source of income, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Marathon further covenants that in the performance of this Agreement, no person having any such interest shall be employed by Marathon. Marathon must promptly disclose to County, in writing, any potential conflict of interest. County retains the right to waive a conflict of interest disclosed by Marathon if County determines it to be immaterial, and such waiver is only effective if provided by County to Marathon in writing.
29. **Survival.** All provisions of this Agreement which by their nature are intended to survive the termination or expiration of this Agreement shall survive such termination or expiration.
30. **Execution of Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
31. **Time is of the Essence.** Time is of the essence in this Agreement and each covenant and term is a condition herein.
32. **Remedies Non-Exclusive.** No remedy herein conferred upon or reserved to either party 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.
33. **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.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set out above.

ATTEST:

Mona Miyasato
County Executive Officer
Clerk of the Board

COUNTY OF SANTA BARBARA:

By: _____
Deputy Clerk

By: _____
Chair, Board of Supervisors

Date: _____

RECOMMENDED FOR APPROVAL:

Human Resources Department

CONTRACTOR:

Marathon Health, LLC

By: _____
Department Head

By: _____
Authorized Representative

Name: Valerie Leyder
Title: SVP, West Operating Group

APPROVED AS TO FORM:

Rachael Van Mullem
County Counsel

By: _____
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

Betsy Schaffer, CPA
Auditor-Controller

By: _____
Deputy

APPROVED AS TO FORM:

Risk Management

By: _____
Risk Management

LIST OF EXHIBITS:

Exhibit "A": Health Center

Exhibit "B": Service Cost

Exhibit "B-1": Performance Guarantees

Exhibit "C": Indemnification and Insurance Requirements

Exhibit "D": Premises Client Check List

Exhibit "E": HIPAA Business Associates Agreement

EXHIBIT A

HEALTH CENTERS

Santa Barbara, CA

Weekly hours: Forty (40) total Health Center hours per week, with weekly operating schedule to be mutually agreed upon by the Parties.

Staffing: 1.0 FTE APP
1.0 FTE Medical Assistant

Santa Maria, CA

Weekly hours: Forty (40) total Health Center hours per week, with weekly operating schedule to be mutually agreed upon by the Parties.

Staffing: 1.0 FTE APP
1.0 FTE Medical Assistant

Holiday Schedule

The Health Centers will be closed in accordance with County's holiday schedule, which is as follows:

- New Year's Day;
- Martin Luther King Day;
- Washington's Birthday;
- President's Day
- Memorial Day;
- Juneteenth
- Independence Day;
- Labor Day;
- Veteran's Day
- Thanksgiving Day and the day following;
- Christmas Day

Approved Closures

Except as outlined in Section 1.1.4, the Health Centers may be closed for the following periods in any given 52-week term:

- 2 Weeks for Vacation
- 1 Week for Continuing Medical Education.

Health Center Eligibility

County may elect to allow dependents of employees aged 2 years and older access to Health Center services upon ninety (90) days' written notice to Marathon. If elected by County, Marathon will provide primary care services to dependents ages 12 and older, and acute care services to dependents ages 2 and older. Marathon can perform sports and camp physical exams for children ages 5 and older but does not conduct well-child exams for children under the age of 12. If County elects to allow these dependents to access Health Center services, then County must purchase any needed medical equipment, medical supplies, laboratory supplies, and cover all other costs associated with treating and diagnosing the dependents.

Occupational Health Services

County may request that Marathon provide certain occupational health services to County, including pre-employment physical exams. Subject to the availability of the Care Providers, no additional charges for the conduct of pre-employment physical exams shall apply. In the event that County requests the addition of occupational health services in such volume as may require increased staffing or the purchase of equipment, Marathon will advise as to any equipment purchase costs or staffing changes that may apply. No changes to staffing or costs payable hereunder shall take effect unless the Agreement is amended in writing by both Parties.

EXHIBIT B

SERVICE COST

I. Summary of Fees

In consideration of the Marathon Services, County will pay the fees summarized below, subject to the additional terms and conditions set forth in this Exhibit B.

(i) Recurring Service Fees

The Recurring Service Fees payable under this Agreement shall be as follows:

7/1/2025- 6/30/2026		7/1/2026- 6/30/2027		7/1/2027- 6/30/2028	
Monthly Fee	Annual Fee	Monthly Fee	Annual Fee	Monthly Fee	Annual Fee
\$86,942	\$1,043,307	\$87,812	\$1,053,741	\$89,568	\$1,074,816

The table set forth above shall be referred to herein as the "Fee Table".

(ii) Credit Towards Health Risk Assessment

Marathon will grant an annual credit in the amount of \$30,000, to be applied towards the cost of conducting mass health risk assessment events as described in Section 1.4.1. The credit does not roll over from year to year and will expire on June 1 of each year during the Term if not used in the preceding contract year.

II. Terms and Conditions

- (i) Annual Fee. Marathon will provide the Health Services as detailed on Exhibit A at the Health Center for the annual fee set forth in the Fee Table (the "Annual Fee"). The Annual Fee is payable in the monthly installments set forth in the Fee Table (the "Monthly Fee") and will be billed for each month that the Health Services are available. The Annual Fee is payable in accordance with the terms of Section 5.2.
- (iii) Timing of Invoicing. Marathon will submit its initial invoice on or after the Start Date, with such invoice to include fees payable beginning on the Start Date through the first full month to occur after the Start Date. The Monthly Fee for any part-month during which Marathon provides the Health Services will be pro-rated. Thereafter, Marathon will invoice monthly.
- (iv) Scheduled Annual Fee Adjustment. Upon the expiration of the Initial Term, if the Agreement is renewed, the Recurring Service Fees set forth above shall increase by 3% over the then-current fees. The Recurring Service Fees for the optional renewal terms shall be as set forth below:

7/1/2028- 6/30/2029		7/1/2029- 6/30/2030	
Monthly Fee	Annual Fee	Monthly Fee	Annual Fee
\$92,255	\$1,107,060	\$95,023	\$1,140,272

- (v) Laboratory and Pharmaceutical Charges. Laboratory and pharmaceutical charges are not included in the Annual Fee and will be invoiced to Client at Marathon's cost.
- (vi) Travel. Travel costs for Health Center staff and health screeners to visit Patients outside of the Health Center will be invoiced separately. Any such travel must be pre-approved by Client and costs will be permitted only in accordance with Marathon's travel policy.
- (vii) Postage. All postage for Member communications will be invoiced to Client at cost.
- (viii) Other Fees; Custom Services. Marathon's monthly invoices will include charges for any mutually agreed professional services outside of Marathon's standard scope, including any service enhancements or Client special requests.

III. PERFORMANCE GUARANTEES

Subject to County's satisfaction of the client requirements set forth in Exhibit B-1, up to ten percent (10%) of the aggregate Recurring Service Fees remitted by Client ("At-Risk Amount") for each 12-month period beginning on July 1 and ending on June 30 during the Term are at risk and subject to Marathon's performance guarantees, as set forth in Exhibit B-1.

Exhibit B-1

Performance Guarantees

At-Risk Amount. Marathon provides performance guarantees based on achievement of key performance metrics covering the optimization of healthcare delivery and overall health of a population. Subject to Client's satisfaction of the client requirements set forth in this Exhibit D-1, up to ten percent (10%) of the aggregate Annual Fees remitted by Client ("At-Risk Amount") for each 12-month period during the Initial Term, for a total of three years ("Year 1", "Year 2" and "Year 3" respectively, or each, a "Year") will be "at-risk".

If a performance metric is not met, Marathon will issue an invoice credit up to the At-Risk Amount to Client, allocated as indicated for each year:

	At-Risk Amount - Percentage of Annual Fee		
	Year 1	Year 2	Year 3
Member Engagement	3.3%	2.5%	2.5%
Patient Satisfaction	3.4%	2.5%	2.5%
Clinical Quality		2.5%	2.5%
Cost Savings	3.3%	2.5%	2.5%
Total At-Risk	10%	10%	10%

MEMBER ENGAGEMENT

Marathon's Performance

Following each of Year 1, Year 2 and Year 3, Marathon will calculate the Member Engagement targets set forth in the table below as indicated in the table.

Category	Definitions	Measurement ¹	Target
Utilization	Unique eligible Members ages 18+ that have used any of the following services in person or via telephonic or virtual means: visit with a medical assistant, nurse, health coach (RD, CDE, RN) ("Health Coach") or provider (physician, advanced practitioner, physical therapist, behavioral health specialist) ("Provider").	Numerator: Unique eligible Members ages 18+ with any visit type during the applicable 18-month period Denominator: Unique eligible Members ages 18+ with at least 6 months eligibility during the applicable 18-month period and eligible at the end of such period	Year 1: 15% Year 2: 16% Year 3: 17%
Provider Engagement	Unique eligible Members ages 18+ that have an appointment with a Health Coach or Provider	Numerator: Unique eligible Members ages 18+ having an	Year 1: 14% Year 2: 15% Year 3: 16%

	in person or via telephonic or virtual means ("Appointment").	Appointment (excluding occupational health visits) Denominator: Unique eligible Members with at least 6-months eligibility during the applicable 18-month period and eligible at the end of such period	
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¹ Year 1 metrics are calculated based on a 12 month look-back period instead of 18-months.

Fee Credits

As set forth above, the total At-Risk Amount allocated to Member Engagement is 5% of the Annual Fee in Year 1 and 3.3% of the Annual Fee in Year 2 and Year 3. Client will receive a credit equal to 2.5% of the Annual Fee (i.e., one-half of the At-Risk Amount) for each Member Engagement target it does not achieve in Year 1, and 1.65% of the Annual Fee for each Member Engagement Target it does not achieve in Year 2 and Year 3.

PATIENT SATISFACTION

Marathon's Performance

Following each of Year 1, Year 2 and Year 3, Marathon will calculate the Patient Satisfaction targets set forth in the table below as indicated in the table.

Category	Definitions	Measurement ¹	Target
Net Promoter Score (NPS)	Survey respondents on a scale of 0-10 answering the question – how likely is it that you would recommend Marathon Health to your friends, family or business associates	NPS calculation – minimum sample size of 50 responses	80
Repeat Patient Utilization Rate	Repeat Patient Utilization	Numerator: Unique eligible Patients ages 18+ who had at least two instances of Utilization during the preceding 18-month period Denominator: Unique eligible Patients ages 18+ who had at least one instance of Utilization, with at least 6-months eligibility during the applicable 18-month	50%

		period and eligible at the end of such period	
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¹ Year 1 metrics are calculated based on a 12 month look-back period instead of 18-months.

Fee Credits

As set forth above, the total At-Risk Amount allocated to Patient Satisfaction is 3.4% of the Annual Fee in Year 1 and 2.5% of the Annual Fee in Year 2 and Year 3. Client will receive a credit equal to 1.7% of the Annual Fee (i.e., one-half of the At-Risk Amount) for each Member Engagement target it does not achieve in Year 1, and 1.25% of the Annual Fee for each Patient Satisfaction target it does not achieve in Year 2 and Year 3.

CLINICAL QUALITY

Marathon's Performance

Following Year 1, Year 2 and Year 3, Marathon will calculate the measurements indicated in the table below for Patients with at least 6 months of eligibility during the applicable calendar year who have had at least one preventive provider visit during such period (note exception for mental health screening which requires a physical or comprehensive health review). Measurements in Year 1 will be used to establish the clinical baseline upon which targets in Year 2 or 3 will be determined. Year 2 and Year 3 performance will be measured as percentage annual improvements for non-compliant Patients over the preceding year's results. Notwithstanding the foregoing, Marathon will be deemed in compliance with a performance target if it meets the HEDIS 80th percentile for compliance or, where no HEDIS benchmark applies, Marathon will satisfy the performance target if it attains the benchmark indicated in the table below.

The minimum sample size for inclusion of a metric is 50 Patients.

Category	Guidelines	Class	Measurement	Target Years 2-3
Cancer	Breast Cancer Screening (Mammogram)	Adult Preventive Care Guidelines	Measure identifies women 50 through 74 years of age during the reporting period who had a mammogram to screen for breast cancer within the past 24 months, with a 3 month grace period	5% year over year improvement, up to HEDIS 80 th percentile
	Cervical Cancer Screening 21-64	Adult Preventive	Measure identifies female Patients 21 through 64 years of	5% year over year improvement, up

		Care Guidelines	age who have had a cervical cancer screening – look-back period varies with test type	to HEDIS 80 th percentile
	Colorectal Cancer Screening	Adult Preventive Care Guidelines	Measure identifies Patients 45 through 75 years of age who received a colorectal cancer screening – look-back period varies with test type	5% year over year improvement, up to HEDIS 80 th percentile
Circulatory	Controlling High Blood Pressure	Hypertension Guidelines	Assesses adults 18-85 years of age who had a diagnosis of hypertension and whose blood pressure was adequately controlled (<140/90 mm Hg).	5% year over year improvement, up to HEDIS 80 th percentile
Mental Health	Depression in Adults: Screening and Follow-up	Adult Preventive Care Guidelines	Measure identifies Patients 12 years of age and older who have been screened for clinical depression using a standardized depression screening tool, and if positive, a follow-up plan is documented. Only Patients with an annual physical or comprehensive health review are included in this metric.	5% year over year improvement, up to HEDIS 80 th percentile
Diabetes	BP Control in Diabetes (140/90)	Diabetes Guidelines	Measure identifies Patients 18 years of age or older with diabetes whose most recent blood pressure is less than 140/90	5% year over year improvement, up to HEDIS 80 th percentile
	HbA1c Screening	Diabetes Guidelines	Measure identifies Patients 18 years of age and older with diabetes who have had a hemoglobin	5% year over year improvement, up to HEDIS 80 th percentile

			A1C screening in the past 12 months.	
	HbA1c Control <8%	Diabetes Guidelines	Measure identifies Patients 18 years of age or older with diabetes whose most recent hemoglobin A1c value is less than 8%	5% year over year improvement, up to HEDIS 80 th percentile
	Lipid Profile Screening in Diabetes	Diabetes Guidelines	Measure identifies Patients satisfying any of the following criteria: • Patients 18 years of age and older with diabetes who had a active statin medication with lipid profile lab results in the past 12 months • Patients 18 to 40 years of age with diabetes who had a lipid profile lab result in the past 5 years • Patients 41 years and older of age and older with diabetes who had a lipid profile lab result anytime in the history	5% year over year improvement, up to HEDIS 80 th percentile
Tobacco Cessation	Tobacco Cessation Counseling	Adult Preventive Care Guidelines	Measure identifies Patients 18 years of age or older who are identified as current tobacco users and received tobacco cessation counseling or therapy	5% year over year improvement, up to HEDIS 80 th percentile

The Healthcare Effectiveness Data and Information Set (HEDIS®) is a registered trademark of NCQA.

Marathon may update guidelines within the clinical areas above to remain current with evolving care standards.

Fee Credits

As set forth above, the total At-Risk Amount allocated to Clinical Quality is 3.3% of the Annual Fee. Client will receive a credit equal to 0.33% of the Annual Fee (i.e., 1/10th of the At-Risk Amount) for each Clinical Quality target it does not achieve in each of Year 2 and Year 3.

In the event one or more metrics are not calculated due to insufficient sample size, the At-Risk Amount will be divided by the remaining number of metrics to determine the amount creditable to Client in the event the target is not achieved (e.g., if only 9 metrics are calculated, Client will receive a credit of 1/9th of the At-Risk Amount for each target not achieved, which equates to 0.3667% of the Annual Fee.)

COST SAVINGS

Methodology

Marathon will calculate Client's estimated savings and additional value delivered from the Marathon Services based on the "Total Impact Value". The Total Impact Value is the sum of Marathon's reasonable estimate of chronic condition savings, added value of Health Center visits, urgent care and emergency room avoidance savings, referral avoidance savings and member out of pocket savings realized during each of Years 1 through 3, all as described below. Unless otherwise specified below, Marathon's estimates of avoided costs and/or added value delivered are based on costs reported by the National Institutes of Health, the Centers for Disease Control and/or other major sources of national health cost data.

1. Chronic Condition Savings

Marathon will identify the number of members who are at high risk of the following chronic conditions: high blood pressure, obesity, diabetes (as reflected by elevated A1C levels), depression/anxiety or tobacco usage at the start and end of each calendar year of the Renewal Term. A member is considered high risk of the foregoing conditions if they meet the following thresholds or otherwise meet the following criteria:

- High blood pressure – Blood pressure greater than 140/90
- Obesity – body mass index greater than 30
- Diabetes – A1C levels greater than 7.0
- Depression/Anxiety – A score of 10 or higher on either the PHQ-9 or GAD-7 survey
- Tobacco Usage – Self-reported use of tobacco

A member is considered low risk with respect to the chronic conditions described above if that member's biometric indicator falls below that threshold or the member reports cessation of tobacco usage.

Marathon will calculate the value of the decreased risk of chronic conditions by determining the sum of the number of patients who have moved from high risk to low risk of each of the chronic conditions above, multiplied by the estimated value of such decreased risk.

2. Added Value of Health Center Visits

To determine the added value of Marathon Health Center visits, Marathon will track and determine the average patient visit length at the Health Centers during each year and compare the average visit time at the Health Centers with average visit times in traditional health care settings. Marathon will multiply: (i) the total number of Health Center visits with a Provider (as defined in the Member Engagement section); with (ii) the average cost of the additional visit time provided to patients at the Health Centers (as compared to average visit times in traditional care settings) to determine the total added value of Health Center visits conducted by Marathon.

3. Urgent Care and Emergency Room Avoidance Savings

Marathon will review same or next day visits completed by patients to determine the urgent care and emergency room visits avoided by patients each year. Marathon uses patient self-reported data to determine the number of avoided emergency room and urgent care visits.

Urgent Care and Emergency Room Avoidance Savings will be determined by calculating the sum of (i) the number of avoided emergency room visits multiplied by the estimated average cost per emergency room visit; and (ii) the number of avoided urgent care visits multiplied by the estimated average cost per urgent care visit. Estimated average costs are determined based on costs reported nationally by the National Institutes of Health and other major sources of national health care data.

4. Referral Avoidance Savings

Marathon will compare Marathon's third-party or specialist referral rate for patient visits to the industry average for specialist referral rates, as reported by the National Institutes of Health and/or other sources of health care data. The number of avoided visits will be multiplied by the estimated cost per visit to determine the estimated savings realized by the avoidance of unnecessary referrals each year. Marathon's estimate of the average cost for specialist visits is determined using national cost data reported for the most common medical specialties referred to by Marathon Providers.

5. Member Out of Pocket Savings

Marathon estimates the total out-of-pocket cost savings realized by patients by calculating the sum of: (i) estimated savings from Provider visits; and (ii) estimated savings from drugs dispensed by the Health Centers.

Savings from Provider Visits – Marathon assumes that a patient realizes cost savings of at least \$40 per Provider visit, which is Marathon's conservative estimate of copays, deductibles or other out of pocket costs that a patient may otherwise be required to pay at a traditional doctor's office. Estimated patient savings from Provider visits are determined by multiplying the number of Provider visits during the calendar year with assumed cost savings realized by patients.

Savings from Drugs Dispensed -- Marathon assumes that a patient realizes cost savings of at least \$10 per prescription obtained at a Health Center, which is Marathon's conservative estimate of copays, deductibles or other out of pocket costs that a patient may otherwise be required to pay at a retail pharmacy. Estimated patient savings from drugs dispensed are determined by multiplying the number of drugs dispensed by the Health Centers during the calendar year with assumed cost savings realized by patients.

Cost Savings Target

Marathon will compare the Total Impact Value to the Annual Fee paid in each contract Year to which this performance guarantee applies. Marathon will satisfy the Client Savings performance guarantee if the Total Impact Value meets the following targets:

Contract Year	Ratio of Total Impact Value to Annual Fee
Year 1	1.0 : 1
Year 2	1.1 : 1
Year 3	1.2 : 1

Fee Credit

As set forth above, the total At-Risk Amount allocated to Cost Savings is 3.3% of the Annual Fee in Year 1 and 2.5% of the Annual Fee in Years 2 and 3. Client will receive a credit equal to 3.3% of the Annual Fee if Marathon does not meet the Cost Savings target in Year 1 or 2.5% of the Annual Fee if Marathon does not meet the Cost Savings target in Year 2 or Year 3.

CLIENT REQUIREMENTS

Notwithstanding the above, if the following requirements are not met during a given year, then no fee credit will be due to the Client for such year:

1. To be eligible for any Performance Guarantee:
 - a. Client must utilize Marathon branded or co-branded material in the development and execution of Member communications, to the extent provided by Marathon. Client will adopt Marathon's outreach and communications strategies to support Member engagement at launch and throughout the Term.
 - b. Client must provide Marathon Health with eligibility files as outlined in Section 2.1. Client must provide at least one of the following for at least 90% of employee population: home mailing address, email address, or phone number.
2. To be eligible for the Member Engagement, Clinical Quality and Cost Savings performance guarantees, a minimum of 10% of the eligible employee population must participate in a biometric screening or obtain an annual physical from a Marathon Care Provider during each contract year. If an outside vendor is utilized for biometric

screening, Client will ensure that the patient data is provided to Marathon. A minimum of 10% of the eligible employee population must also register with the Marathon member portal within each contract year.

3. To be eligible for the Member Engagement, Patient Satisfaction and Cost Savings guarantees, if Client requires high Health Center fees (>\$50 per visit), limits employee access to the Health Center during work hours, locates the Health Center in a difficult to access location, or has other significant restrictions on Health Center use, then a minimum of 50% of the eligible employee population must have at least one provider visit in the Health Center during each contract year.
4. To be eligible for the Clinical Quality and Cost Savings guarantees, the medical claims, pharmacy claims and membership data referred to in Section 6.6 and Section 6.7 of the Agreement must be received as scheduled, as well as for the 24 months prior to the Start Date.

EXHIBIT C

Indemnification and Insurance Requirements

INDEMNIFICATION

Marathon agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities directly arising out of this Agreement from any negligent acts, errors or omissions or any willful misconduct of Marathon or any of its agents, representatives, employees or subcontractors, and for any costs or expenses (including but not limited to reasonable, actual and documented attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is prohibited by law.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

Marathon shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

INSURANCE

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

A. Minimum Scope of Insurance Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products- completed operations, personal & advertising injury, with limits no less than \$2,000,000 per occurrence and \$4,000,000 in the aggregate.
2. Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Marathon has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. Professional Liability (Errors and Omissions) Insurance appropriate to Marathon's profession, with limit of no less than \$5,000,000 per occurrence or claim, \$10,000,000 aggregate.

Marathon may satisfy the foregoing coverage requirements with a combination of primary and excess coverage.

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

B. Other Insurance Provisions

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

1. Additional Insured - COUNTY, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of Marathon including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to Marathon's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).
2. Primary Coverage - For any claims related to this Agreement, the Marathon's insurance coverage shall be primary insurance as respects the COUNTY, its officers, officials, employees, agents and volunteers. Any insurance or self- insurance maintained by the COUNTY, its officers, officials, employees, agents or volunteers shall be excess of Marathon's insurance and shall not contribute with it.
3. Notice of Cancellation - Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.
4. Waiver of Subrogation Rights – Marathon hereby grants to COUNTY a waiver of any right to subrogation which any insurer of Marathon may acquire against the COUNTY by virtue of the payment of any loss under such insurance. Marathon agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.
5. Deductibles and Self-Insured Retention - Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. The County expressly approves of the deductibles set forth in the Certificate of Insurance provided by Marathon to the County.
6. Acceptability of Insurers - Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".

7. Verification of Coverage – Marathon shall furnish the COUNTY with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by the COUNTY before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive Marathon's obligation to provide them. Marathon shall furnish evidence of renewal of coverage throughout the term of the Agreement. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at anytime.
8. Failure to Procure Coverage - In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by COUNTY as a material breach of contract.
9. Subcontractors - Marathon will ensure all subcontractors carry appropriate insurance coverage with adequate limits.
10. Claims Made Policies - If any of the required policies provide coverage on a claims-made basis:
 - i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
 - iii. If coverage is canceled or non-renewed and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Marathon must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work. Any failure, actual or alleged, on the part of COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of COUNTY.

EXHIBIT D
PREMISES CLIENT CHECK LIST

- Examination table
- Cabinet (preferably with doors for Medical Supplies)
- Table for Blood Drawing Station & Supplies
- Mini-Refrigerator with freezer
- Desk
- Rolling Chair for APP
- Chair for counseling Patients
- Locking File Cabinet
- Secure Shredder dedicated to the Health Center
- Secure Fax/Printer/Scanner Machine (preferably in the Health Center or a secure area that is HIPAA compliant)
- Phone list w/ extensions
- Access to a copy machine
- Paper towels
- Anti-bacterial Soap for Care Providers

EXHIBIT E

HIPAA BUSINESS ASSOCIATE AGREEMENT (BAA)

This Business Associate Agreement ("BAA") supplements and is made a part of the Agreement between COUNTY (referred to herein as "Covered Entity") and Marathon Health, LLC, ("CONTRACTOR") (referred to herein as "Business Associate").

RECITALS

Covered Entity wishes to disclose certain information to Business Associate pursuant to the terms of the Agreement, some of which may constitute Protected Health Information ("PHI") (defined below).

Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI disclosed to Business Associate pursuant to the Agreement in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("HITECH Act"), and 45 CFR Parts 160 and 164, Subpart C (the "Security Rule"), Subpart D (the "Data Breach Notification Rule") and Subpart E (the "Privacy Rule") (collectively, the "HIPAA Regulations").

As part of the HIPAA Regulations, the Privacy Rule and the Security Rule (defined below) require Covered Entity to enter into a contract containing specific requirements with Business Associate prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, Sections 164.314(a), 164.502(e) and 164.504(e) of the Code of Federal Regulations (C.F.R.) and contained in this BAA.

In consideration of the mutual promises below and the exchange of information pursuant to this BAA, the parties agree as follows:

1. Definitions

a. Breach shall have the meaning given to such term under the HITECH Act [42 U.S.C. Section 17921].

b. Business Associate shall have the meaning given to such term under the Privacy Rule, the Security Rule, and the HITECH Act, including but not limited to, 42 U.S.C. Section 17938 and 45 C.F.R. Section 160.103.

c. Covered Entity shall have the meaning given to such term under the Privacy Rule and the Security Rule, including, but not limited to, 45 C.F.R. Section 160.103.

d. Data Aggregation shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.

e. Designated Record Set shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.

f. Electronic Protected Health Information or EPHI means Protected Health Information that is maintained in or transmitted by electronic media.

g. Electronic Health Record shall have the meaning given to such term in the HITECH Act, including, but not limited to, 42 U.S.C. Section 17921.

h. Health Care Operations shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.

i. Privacy Rule shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and E.

j. Protected Health Information or PHI means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501. Protected Health Information includes Electronic Protected Health Information [45 C.F.R. Sections 160.103, 164.501].

k. Protected Information shall mean PHI provided by Covered Entity to Business Associate or created or received by Business Associate on Covered Entity's behalf

l. Security Rule shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and C.

m. Unsecured PHI shall have the meaning given to such term under the HITECH Act and any guidance issued pursuant to such Act including, but not limited to, 42 U.S.C. Section 17932(h).

2. Obligations of Business Associate

a. Permitted Uses. Business Associate shall not use Protected Information except for the purpose of performing Business Associate's obligations under the Agreement and as permitted under the Agreement and this BAA. Further, Business Associate shall not use Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so used by Covered Entity. However, Business Associate may use Protected Information (i) for the proper management and administration of Business Associate, (ii) to carry out the legal responsibilities of Business Associate, or (iii) for Data Aggregation purposes for the Health Care Operations of Covered Entity [45 C.F.R. Sections 164.504(e)(2)(ii)(A) and 164.504(e)(4)(i)].

b. Permitted Disclosures. Business Associate shall not disclose Protected Information except for the purpose of performing Business Associate's obligations under the Agreement and as permitted under the Agreement and this BAA. Business Associate shall not disclose Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so disclosed by Covered Entity. However, Business Associate may disclose Protected Information (i) for the proper management and administration of Business Associate;

(ii) to carry out the legal responsibilities of Business Associate; (iii) as required by law; or (iv) for Data Aggregation purposes for the Health Care Operations of Covered Entity. If Business Associate discloses Protected Information to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable written assurances from such third party that such Protected Information will be held confidential as provided pursuant to this BAA and only disclosed as required by law or for the purposes for which it was disclosed to such third party, and (ii) a written agreement from such third party to immediately notify Business Associate of any breaches of confidentiality of the Protected Information, to the extent the third party has obtained knowledge of such breach [42 U.S.C. Section 17932; 45 C.F.R. Sections 164.504(e)(2)(i), 164.504(e)(2)(i)(B), 164.504(e)(2)(ii)(A) and 164.504(e)(4)(ii)].

c. Prohibited Uses and Disclosures. Business Associate shall not use or disclose Protected Information for fundraising or marketing purposes. Business Associate shall not disclose Protected Information to a health plan for payment or health care operations purposes if the patient has requested this special restriction, and has paid out of pocket in full for the health care item or service to which the PHI solely relates [42 U.S.C. Section 17935(a)]. Business Associate shall not directly or indirectly receive remuneration in exchange for Protected Information, except with the prior written consent of Covered Entity and as permitted by the HITECH Act, 42 U.S.C. section 17935(d)(2); however, this prohibition shall not affect payment by Covered Entity to Business Associate for services provided pursuant to the Agreement. Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of this Agreement, the BAA, or the HIPAA Regulations.

d. Appropriate Safeguards. Business Associate shall implement appropriate safeguards as are necessary to prevent the use or disclosure of Protected Information otherwise than as permitted by the Agreement or this BAA, including, but not limited to, administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the Protected Information, in accordance with 45 C.F.R. Sections 164.308, 164.310, and 164.312. [45 C.F.R. Section 164.504(e)(2)(ii)(B); 45 C.F.R. Section 164.308(b)]. Business Associate shall comply with the policies and procedures and documentation requirements of the HIPAA Security Rule, including, but not limited to, 45 C.F.R. Section 164.316 [42 U.S.C. Section 17931].

e. Reporting of Improper Access, Use or Disclosure. Business Associate shall report to Covered Entity in writing of any access, use or disclosure of Protected Information not permitted by the Agreement and this BAA, and any Breach of Unsecured PHI, as required by the Data Breach Notification Rule and/or any actual or suspected use or disclosure of data in violation of any applicable federal or state laws or regulations. Business Associate shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations, of which it becomes aware without unreasonable delay and in no case later than fifteen (15) days after discovery [42 U.S.C. Section 17921; 45 C.F.R. Section 164.504(e)(2)(ii)(C); 45 C.F.R. Section 164.308(b)]. Notice is hereby given that Business Associate may, from time to time, experience unsuccessful security incidents that do not result in unauthorized access to or use of PHI and are associated

with ordinary network traffic, including broadcast attacks on firewalls or edge servers, port scans, unsuccessful log-on attempts, denial of service attacks, packet sniffing (or other unauthorized access to traffic data that does not result in access beyond headers), or similar incidents. Covered Entity acknowledges that Business Associate has satisfied its obligation to provide notice of the above-described unsuccessful security incidents to Covered Entity.

f. Business Associate's Subcontractors and Agents. Business Associate shall ensure that any agents and subcontractors to whom it provides Protected Information, agree in writing to the same restrictions and conditions that apply to Business Associate with respect to such PHI and implement the safeguards required by paragraph (c) above with respect to Electronic PHI [45 C.F.R. Section 164.504(e)(2)(ii)(D); 45 C.F.R. Section 164.308(b)]. Business Associate shall implement and maintain sanctions against agents and subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation (see 45 C.F.R. Sections 164.530(f) and 164.530(e)(l)).

g. Access to Protected Information. To the extent that the Covered Entity keeps a designated record set then Business Associate shall make Protected Information maintained by Business Associate or its agents or subcontractors in Designated Record Sets available to Covered Entity for inspection and copying within fifteen (15) days of a request by Covered Entity to enable Covered Entity to fulfill its obligations under state law [Health and Safety Code Section 123110] and the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.524 [45 C.F.R. Section 164.504(e)(2)(ii)(E)]. If Business Associate maintains an Electronic Health Record, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act, including, but not limited to, 42 U.S.C. Section 17935(e).

h. Amendment of PHI for Business Associate who is Required to Maintain a Record Set. If Business Associate is required to maintain a designated record set on behalf of the Covered Entity, the Business Associate shall within fifteen (15) days of receipt of a request from Covered Entity for an amendment of Protected Information or a record about an individual contained in a Designated Record Set, Business Associate or its agents or subcontractors shall make such Protected Information available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.526. If any individual requests an amendment of Protected Information directly from Business Associate or its agents or subcontractors, Business Associate must notify Covered Entity in writing within five (5) days of the request. Any approval or denial of amendment of Protected Information maintained by Business Associate or its agents or subcontractors shall be the responsibility of Covered Entity [45 C.F.R. Section 164.504(e)(2)(ii)(F)].

i. Accounting Rights. Within fifteen (15) days of notice by Covered Entity of a request for an accounting of disclosures of Protected Information, Business Associate and its agents or subcontractors shall make available to Covered Entity the information required to provide an accounting of disclosures to enable Covered Entity to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.528, and the HITECH Act, including but not limited to 42 U.S.C. Section 17935(c), as determined by Covered Entity. Business Associate

agrees to implement a process that allows for an accounting to be collected and maintained by Business Associate and its agents or subcontractors for at least six (6) years prior to the request. However, accounting of disclosures from an Electronic Health Record for treatment, payment or health care operations purposes are required to be collected and maintained for only three (3) years prior to the request, and only to the extent that Business Associate maintains an electronic health record and is subject to this requirement. At a minimum, the information collected and maintained shall include: (i) the date of disclosure; (ii) the name of the entity or person who received Protected Information and, if known, the address of the entity or person; (iii) a brief description of Protected Information disclosed and (iv) a brief statement of purpose of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. In the event that the request for an accounting is delivered directly to Business Associate or its agents or subcontractors, Business Associate shall within five (5) days of a request forward it to Covered Entity in writing. It shall be Covered Entity's responsibility to prepare and deliver any such accounting requested. Business Associate shall not disclose any Protected Information except as set forth in Sections 2.b. of this BAA [45 C.F.R. Sections 164.504(e)(2)(ii)(G) and 165.528]. The provisions of this subparagraph shall survive the termination of this Agreement.

j. Governmental Access to Records. Business Associate shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to Covered Entity and to the Secretary of the U.S. Department of Health and Human Services (Secretary) for purposes of determining Business Associate's compliance with the Privacy Rule [45 C.F.R. Section 164.504(e)(2)(ii)(H)]. Business Associate shall provide to Covered Entity a copy of any Protected Information that Business Associate provides to the Secretary concurrently with providing such Protected Information to the Secretary.

k. Minimum Necessary. Business Associate (and its agents or subcontractors) shall request, use and disclose only the minimum amount of Protected Information necessary to accomplish the purpose of the request, use, or disclosure [42 U.S.C. Section 17935(b); 45 C.F.R. Section 164.514(d)(3)]. Business Associate understands and agrees that the definition of "minimum necessary" is in flux and shall keep itself informed of guidance issued by the Secretary with respect to what constitutes "minimum necessary."

l. Data Ownership. Business Associate acknowledges that Business Associate has no ownership rights with respect to the Protected Information.

m. Business Associate's Insurance. Business Associate represents and warrants that it purchases commercial insurance to cover its exposure for any claims, damages or losses arising as a result of a breach of the terms of this BAA.

n. Notification of Possible Breach. During the term of the Agreement, Business Associate shall notify Covered Entity within ten (10) business days of any suspected or actual breach of security, or any access, use or disclosure of Protected Information not permitted by the Agreement or this BAA or unauthorized use or disclosure of PHI of which Business Associate becomes aware and/or any actual or suspected use or disclosure of data in violation of any applicable federal or state laws or regulations. Business Associate shall take (i) prompt corrective

action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations. [42 U.S.C. Section 17921; 45 C.F.R. Section 164.504(e)(2)(ii)(C); 45 C.F.R. Section 164.308(b)]

o. Breach Pattern or Practice by Covered Entity. Pursuant to 42 U.S.C. Section 17934(b), if the Business Associate knows of a pattern of activity or practice of the Covered Entity that constitutes a material breach or violation of the Covered Entity's obligations under the Agreement or this BAA or other arrangement, the Business Associate must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, the Business Associate must terminate the Agreement or other arrangement if feasible, or if termination is not feasible, report the problem to the Secretary. Business Associate shall provide written notice to Covered Entity of any pattern of activity or practice of the Covered Entity that Business Associate believes constitutes a material breach or violation of the Covered Entity's obligations under the Agreement or this BAA or other arrangement within fifteen (15) days of discovery and shall meet with Covered Entity to discuss and attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.

p. Audits, Inspection and Enforcement. Business Associate and its agents or subcontractors shall allow Covered Entity to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the use or disclosure of Protected Information pursuant to this BAA for the purpose of determining whether Business Associate has complied with this BAA; provided, however, that (i) Business Associate and Covered Entity shall mutually agree in advance upon the scope, timing and location of such an inspection, and which timing shall be no less than thirty (30) days after the Covered Entity's request to conduct an inspection; (ii) Covered Entity shall protect the confidentiality of all confidential and proprietary information of Business Associate to which Covered Entity has access during the course of such inspection; and (iii) Covered Entity shall execute a nondisclosure agreement, upon terms mutually agreed upon by the parties, if requested by Business Associate. The fact that Covered Entity inspects, or fails to inspect, or has the right to inspect, Business Associate's facilities, systems, books, records, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, nor does Covered Entity's (i) failure to detect or (ii) detection, but failure to notify Business Associate or require Business Associate's remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under the Agreement or this BAA, Business Associate shall notify Covered Entity within fifteen (15) days of learning that Business Associate has become the subject of an audit, compliance review, or complaint investigation by the Office for Civil Rights.

q. Compliance with HIPAA Workforce Training. As set forth in section 164.530 of 45 CFR Business Associate is expected to adhere to the Health Insurance Portability and Accountability Act (HIPAA) regulations to the extent necessary to comply with Covered Entity's legal obligations and to develop and maintain comprehensive consumer confidentiality policies and procedures, provide annual training of all affected staff regarding those policies and procedures including Security and Privacy safeguards, and demonstrate reasonable effort to secure written and/or electronic data to document the provision of such training and agrees to

make available to the Covered Entity upon request. The parties should anticipate that this agreement will be modified as necessary for full compliance with HIPAA.

3. Termination

a. **Material Breach.** A breach by Business Associate of any provision of this BAA, as determined by Covered Entity, shall constitute a material breach of the Agreement and shall provide grounds for immediate termination of the Agreement, any provision in the Agreement to the contrary notwithstanding [45 C.F.R. Section 164.504(e)(2)(iii)].

b. **Judicial or Administrative Proceedings.** Covered Entity may terminate the Agreement, effective immediately, if (i) Business Associate is named as a defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws or (ii) a finding or stipulation that the Business Associate has violated any standard or requirement of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws is made in any administrative or civil proceeding in which the party has been joined.

c. **Effect of Termination.** Upon termination of the Agreement for any reason, Business Associate shall destroy all Protected Information that Business Associate or its agents or subcontractors still maintain in any form and shall retain no copies of such Protected Information unless otherwise required by applicable law. If return or destruction is not feasible, as determined by Covered Entity, Business Associate shall continue to extend the protections of Section 2 of this BAA to such information, and limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible. [45 C.F.R. Section 164.504(e)(ii)(2)(I)]. If Covered Entity elects destruction of the PHI, Business Associate shall certify in writing to Covered Entity that such PHI has been destroyed.

4. Indemnification

If Business Associate fails to adhere to any of the privacy, confidentiality, and/or data security provisions set forth in this BAA or if there is a Breach of PHI in Business Associate's possession and, as a result, PHI or any other confidential information is unlawfully accessed, used or disclosed, Business Associate agrees to reimburse Covered Entity for any and all costs directly incurred by Covered Entity associated with any Breach notification obligations.

Business Associate also agrees to pay for any and all fines and/or administrative penalties imposed for such unauthorized access, use or disclosure of confidential information or for delayed reporting if it fails to notify the Covered Entity of the Breach as required by this BAA.

5. Disclaimer

Covered Entity makes no warranty or representation that compliance by Business Associate with this BAA, HIPAA, the HITECH Act, or the HIPAA Regulations will be adequate or satisfactory for Business Associate's own purposes. Business Associate is solely responsible for all decisions made by Business Associate regarding the safeguarding of PHI.

6. Certification

To the extent that Covered Entity determines that such examination is necessary to comply with Covered Entity's legal obligations pursuant to HIPAA relating to certification of its security practices, Covered Entity or its authorized agents or contractors, may, at Covered Entity's expense, examine Business Associate's facilities, systems, procedures and records as may be necessary for such agents or contractors to certify to Covered Entity the extent to which Business Associate's security safeguards comply with HIPAA, the HITECH Act, the HIPAA Regulations or this BAA; provided that provided, however, that (i) Business Associate and Covered Entity shall mutually agree in advance upon the scope, timing and location of such an examination, and which timing shall be no less than thirty (30) days after the Covered Entity's request to conduct an inspection; (ii) Covered Entity shall protect the confidentiality of all confidential and proprietary information of Business Associate to which Covered Entity has access during the course of such examination; and (iii) Covered Entity and its authorized agents or contractors shall execute a nondisclosure agreement, upon terms mutually agreed upon by the parties, if requested by Business Associate.

7. Amendment to Comply with Law

The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the Agreement or this BAA may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule and other applicable laws relating to the security or confidentiality of PHI. The parties understand and agree that Covered Entity must receive satisfactory written assurance from Business Associate that Business Associate will adequately safeguard all Protected Information. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this BAA embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule or other applicable laws. Covered Entity may terminate the Agreement upon thirty (30) days written notice in the event (i) Business Associate does not promptly enter into negotiations to amend the Agreement or this BAA when requested by Covered Entity pursuant to this Section or (ii) Business Associate does not enter into an amendment to the Agreement or this BAA providing assurances regarding the safeguarding of PHI that Covered Entity, in its sole discretion, deems sufficient to satisfy the standards and requirements of applicable laws.

8. Assistance in Litigation of Administrative Proceedings

Business Associate shall make itself, and any subcontractors, employees or agents assisting Business Associate in the performance of its obligations under the Agreement or this BAA, available to Covered Entity, at no cost to Covered Entity, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against Covered Entity, its directors, officers or employees based upon a claimed violation of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule, or other laws relating to security and privacy, except where Business Associate or its subcontractor, employee or agent is named adverse party. The obligation to provide such assistance shall apply only if information or data belonging to Covered

Entity that has been used, transferred, or otherwise processed by Business Associate is the subject of such proceeding.

9. No Third-Party Beneficiaries

Nothing express or implied in the Agreement or this BAA is intended to confer, nor shall anything herein confer, upon any person other than Covered Entity, Business Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

10. Effect on Agreement

Except as specifically required to implement the purposes of this BAA, or to the extent inconsistent with this BAA, all other terms of the Agreement shall remain in force and effect.

11. Entire Agreement of the Parties

This BAA supersedes any and all prior and contemporaneous business associate agreements between the parties and constitutes the final and entire agreement between the parties hereto with respect to the subject matter hereof. Covered Entity and Business Associate acknowledge that no representations, inducements, promises, or agreements, oral or otherwise, with respect to the subject matter hereof, have been made by either party, or by anyone acting on behalf of either party, which are not embodied herein. No other agreement, statement or promise, with respect to the subject matter hereof, not contained in this BAA shall be valid or binding.

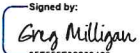
12. Interpretation

The provisions of this BAA shall prevail over any provisions in the Agreement that may conflict or appear inconsistent with any provision in this BAA. This BAA and the Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the Privacy Rule and the Security Rule. The parties agree that any ambiguity in this BAA shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of July 1, 2025.

COUNTY OF SANTA BARBARA

MARATHON HEALTH, LLC

By: 
Name: Greg Milligan
Title: Risk Manager
Date: 6/12/2025

By: 
Christina Wahlig
General Counsel
Date: 6/12/2025