

COUNTY OF SAN MATEO  
Departmental Correspondence

DATE: JUN 06 2001  
HEARING DATE JUN 19 2001

TO: Honorable Board of Supervisors  
FROM: Timothy B. McMurdo, Director, Hospital & Clinics Division  
SUBJECT: Agreement with MedQuist Transcriptions, Ltd.

RECOMMENDATION

Adopt a resolution authorizing the President of the Board to execute an agreement with MedQuist Transcriptions Ltd.

Background

In 1993-94, in-house medical transcription services were eliminated, and the service was contracted out. The cost of replacing the old equipment had become prohibitive. Also, a shortage of qualified transcriptionists over the years made it difficult for the Medical Records Department to recruit staff. Most transcriptionists now work at home, and many health care organizations now outsource their medical transcription.

Dictation and transcription of all inpatient and outpatient medical treatment is required for all providers of hospital and clinic services by state and federal regulatory agencies, including the Joint Commission Accreditation of Healthcare Organizations (JCAHO) and the Licensing and Certification Division of the State Department of Health Services (DHS). These agencies are now holding hospitals to more stringent standards of documentation. The dictation transcribed includes all hospital inpatient stays, same day surgeries, outpatient clinic visits including the satellite clinics, emergency department visits, and ancillary tests. Excluded from this service is pathology and radiology dictation, which are under separate contract with The Electric Company. The contractor provides the equipment needed for dictating, including maintenance services. The division does not incur the cost for purchasing and maintaining equipment.

Discussion

In January, the Division of Hospital and Clinics conducted a Request for Proposal (RFP) process. The RFP was sent to 12 vendors. Selection criteria included turnaround time, performance parameters, training, technical support and quality assurance. MedQuist was selected from five transcription service providers who responded to the RFP because they were the lowest bidder, and had the best qualification.

MediQuist has been providing San Mateo County General Hospital with good service with respect to turnaround time, quality of work performed and response to service needs since 1997. MediQuist decreased their previous rates from .1425 per line to .1284 per line which was the lowest rate offered in the RFP process for transcription services

Based on a use of 3,743,160 lines per year the five providers proposed the following rates:

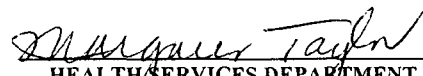
Providers	Rate per Line	Rate per year based on 3,743,160 lines
Heartland	.16 per 65 character line	\$598,906
MediShare	.147 per 72 character line	\$550,245
Health Scribe	.1425 per 65 character line	\$533,245
Diskriter, Inc.	.13 per line	\$486,611
MedQuist, Inc.	.1284 per line per 65 character line	\$479,874

County Counsel has reviewed this Agreement.

Term and Fiscal Impact

The term of the contract is May 1, 2001 through April 30, 2004. The total amount of the contract is \$1,439,622; \$479,874 is included in Hospital and Clinics FY2001-02 budget request. The balance will be included in future year budget requests.

RECOMMENDED

  
HEALTH SERVICES DEPARTMENT

RESOLUTION NO. \_\_\_\_\_

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

\* \* \* \* \*

RESOLUTION AUTHORIZING EXECUTION  
OF AN AGREEMENT WITH MEDQUIST TRANSCRIPTIONS, LTD.

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California,  
that;

WHEREAS, there has been presented to this Board of Supervisors for its consideration and acceptance an agreement, reference to which is hereby made for further particulars, whereby MedQuist Transcriptions, Ltd. shall provide medical transcription services to San Mateo County Hospital and Clinics; and

WHEREAS, this Board has been presented with a form of the Agreement and has examined and approved it as to both form and content and desires to enter into the Agreement:

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board hereby authorizes the President of this Board of Supervisors to execute said Agreement for and on behalf of the County of San Mateo, and the Clerk of this Board shall attest the President's signature thereto.

ATTACHMENT 2

Transcription Services

1.	General Description of RFP	Transcription Services for San Mateo County General Hospital and Clinics
2.	List key evaluation criteria	Turn-around time Performance Parameters Education Quality Assurance
3.	Where advertised	Proposals were mailed to 12 vendors
4.	In addition to any advertisement, list others to whom RFP was sent	See mailing list item No. 8
5.	Total number sent to prospective proposers	12
6.	Number of proposals received	5
7.	Who evaluated the proposals	Director of Medical Records Manager, Medical Records Director of Materials Management Chair of the Medical Information Management Committee
8.	In alphabetical order, names of proposers (or finalists, if applicable) and location	Diskriter, Inc. 3257 W. Liberty Avenue Pittsburgh, Pennsylvania 15216  Health Scribe 14 Solitaire Lane Aliso Viejo, CA 92656  Heartland Information Services Global Transcription Solution 3103 Executive Parkway, Suite 600 Toledo, Ohio 43606  MediSHARE 1101 So. Winchester Boulevard, Ste. L237 San Jose, CA 95128  MedQuist Incorporation 13873 Park Center Road, Ste. 350 Herndon, VA 20171

AGREEMENT WITH MEDQUIST TRANSCRIPTIONS, LTD.

FOR TRANSCRIPTION SERVICES

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2001, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and MEDQUIST TRANSCRIPTIONS, LTD., hereinafter called "Contractor";

WITNESSETH:

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of performing the professional services hereinafter described for the Health Services Agency, Hospital and Clinics; and

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

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. Services to be Performed by Contractor

In consideration of the payments hereinafter set forth, Contractor, under the general direction of the Director of Health Services, or her designee, with respect to the product or result of Contractor's services, shall provide medical transcription services for San Mateo County General Hospital and Clinics and as described in Schedule A, attached hereto and incorporated by reference herein. Such services shall be provided in a professional and diligent manner.

2. Payments

A. Maximum Amount. In full consideration of Contractor's performance of the services described in Schedule A, the amount that County shall be obligated to pay for services rendered under this Agreement shall not exceed ONE MILLION FOUR HUNDRED THIRTY-NINE THOUSAND SIX HUNDRED TWENTY-TWO DOLLARS (\$1,439,622) for the contract term.

B. Rate of Payment. The rate and terms of payment shall be as specified in Schedule B, attached hereto and incorporated herein. Any rate increase is subject to the approval of the Director of Health Services or her designee, and shall not be binding on County unless so approved in writing. In no event may the rates established in Schedule B be increased to the extent that the maximum County obligation shall exceed the total specified in paragraph 2A above. Each payment shall be conditioned on the performance of the services described in Schedule A to the full satisfaction of the Director of Health Services or her designee.

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

3. Relationship of Parties

It is expressly understood that this is an agreement between two (2) independent contractors and that no agency, employee, partnership, joint venture or other relationship is established by this Agreement. The intent by both County and Contractor is to create an independent contractor relationship. Contractor expressly acknowledges and accepts his/her tax status and the tax consequences of an independent contractor. Further, as an independent contractor, Contractor expressly acknowledges and accepts that he/she has no rights, benefits, privileges and/or claims in any form whatsoever under, from, through and/or pursuant to the San Mateo County Civil Service Rules.

4. Hold Harmless

Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind and description, brought for, or on account of: (A) injuries to or death of any person, including Contractor, or (B) damage to any property of any kind whatsoever and to whomsoever belonging, or (C) any failure to withhold and/or pay to the government income and/or employment taxes from earnings

under this Agreement, or (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County, its officers, agents, employees, or servants, resulting from the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

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

5. Insurance

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

In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work pursuant to this Agreement.

A. Workers' Compensation and Employer Liability Insurance. Contractor shall have in effect during the entire life of this Agreement, Workers' Compensation and Employer Liability Insurance providing full statutory coverage. In signing this Agreement, County makes the following certification, required by Section 1861 of the California Labor Code:

I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of the work of this Agreement.

B. Liability Insurance. Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by himself or by any subcontractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below.

-- Such insurance shall include:

- 1) Comprehensive General Liability . . . . . \$2,000,000
- 2) Motor Vehicle Liability Insurance . . . . . \$ 500,000
- 3) Professional Liability . . . . . \$ -0-

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

County and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to County, its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy, and that if County or its officers and employees have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only. Said certificate(s) of insurance is (are) attached hereto and incorporated by reference herein as Attachment II (and III).



6. Non-Discrimination

Contractor shall comply with the non-discrimination requirements described in Schedule C, which is attached hereto, and incorporated herein.

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

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

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

To effectuate the provisions of this paragraph, the County Manager shall have the authority to:

- i. examine Contractor's employment records with respect to compliance with this paragraph;
- ii. set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within thirty (30) days of such filing, provided that within such thirty (30) days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide County with a copy of its response to the complaint when filed.

7. Assignments and Subcontracts

A. Without the written consent of the Director of Health Services or her designee, this Agreement is not assignable in whole or in part. Any assignment by Contractor without the written consent of the Director of Health Services or her designee is a breach of this Agreement and shall automatically terminate this Agreement.

B. Contractor shall not employ subcontractors or consultants to carry out the responsibilities undertaken pursuant to this contract without the written consent of the Director of Health Services or her designee.

C. All assignees, subcontractors, or consultants approved by the Director of Health Services or her designee shall be subject to the same terms and conditions applicable to Contractor under this Agreement, and Contractor shall be liable for the assignee's, subcontractor's or consultant's acts and/or omissions.

D. All agreements between Contractor and subcontractor and/or assignee for services pursuant to this Agreement shall be in writing and shall be provided to County.

8. Amendment of Agreement

This Agreement is complete and contains all the terms and conditions agreed upon by the parties. No amendment shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement shall be binding on the parties hereto.

9. Records

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

B. Contractor shall maintain and preserve all financial records relating to this Agreement for a period of four (4) years from the termination date of this Agreement, or until audit findings are resolved, whichever is greater.

10. Compliance with Applicable Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable federal, state, county, and municipal laws, including,

but not limited to, the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended and attached hereto and incorporated by reference herein as Attachment I, which prohibits discrimination on the basis of handicap in programs and activities receiving any federal or county financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including, but not limited to, appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations.

11. Interpretation and Enforcement

A. Any notice, request, demand or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United States mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed:

1) In the case of County, to:

San Mateo County  
Hospital and Clinics  
222 39th Avenue  
San Mateo, CA 94403

or to such person or address as County may, from time to time furnish to

Contractor.

2) In the case of Contractor, to:

Attn: General Counsel/Chief Operating Officer  
MedQuist Transcriptions, Ltd.  
Five Greentree Centre, Suite 311  
Marlton, NJ 08053

B. Controlling Law. The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation and performance of this Agreement shall be governed by the laws of the State of California.

12. Term of the Agreement

Subject to compliance with the terms and conditions of this Agreement, the term of this Agreement shall be from May 1, 2001 through April 30, 2004. This Agreement may be

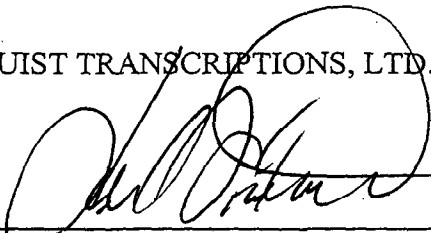
terminated by Contractor, Director of Health Services or her designee at any time upon thirty (30) days' written notice to the other party.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

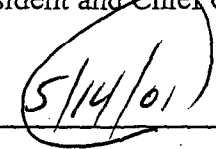
COUNTY OF SAN MATEO

MEDQUIST TRANSCRIPTIONS, LTD.

By: \_\_\_\_\_  
Michael D. Nevin, President  
Board of Supervisors, San Mateo County

By:  \_\_\_\_\_  
John A. Donohoe, Jr.  
President and Chief Operating Officer

Date: \_\_\_\_\_

Date:  \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Clerk of Said Board

Date: \_\_\_\_\_

## SCHEDULE A

### I. SERVICES TO BE PROVIDED BY CONTRACTOR

- A. In consideration of the payments described in paragraph II, below, Contractor shall provide medical transcription services as described below:
- o 24 hour access to a digital dictation system
  - o Audio access to pre-transcribed dictations
  - o On-line transcription information system access
  - o Archive all dictated reports (in electronic form)
  - o Report types will be batched as indicated on Document Type Table, section B, below.
  - o Providers (dictators) will be sorted within the batch
  - o 24-hour support line
  - o 99% accuracy rate on all transcribed reports
  - o Training and support to the dictating staff
  - o Training and support to the Medical Records Department staff
  - o Provide prompts for facility.
  - o Provide confirmation number to dictator.
  - o Provide Listen Line Capability.
  - o In the event of system failure, Contractor shall provide a back-up dictation system within 10 minutes with full duplicate database.
  - o Provide line access (800 number access ) via facility's phone system.
  - o Assume phone charges.
  - o Provide software/hardware upgrades at no charge.
  - o Provide training support to the Medical Records Department staff.
  - o Provide technical support (help desk support for locating/printing reports and troubleshooting problems via 800 access) 24 hours/day, 7 days/week.
  - o Provide access to reports for updating.
  - o Provide access to reprinting reports.
  - o Provide access to checking the status of reports dictation, transcription, proofing, queuing and transmission.
  - o Provide access to autofax reports on demand with not charge
  - o Provide access to batch print copies by physicians alphabetically by physician's last name.
  - o Provide access to mark carbon copies.

B. Document Type Table

01	SMCGH Clinic Notes	21	CSRC Medical Discharge Summary
02	History, Physical Exam	30	North County Clinic Notes
03	Discharge Summary	32	Edison Clinic
04	Consultation Report	40	Fair Oaks Clinic Notes
05	Operation Report	41	Belle Haven Clinic Notes
06	Pre-admit	43	Willow Clinic Notes
07	Letter	45	Fair Oaks Letters
09	ED Report	46	Belle Haven Letters
10	24 Hour Holter Monitor	47	Willow Letters
11	Exercise Stress Test	50	Forensic Mental Health Clinic Notes
12	Electroencephalography Report	51	ECHO
13	Report of Electromyographic Exam	53	Coastside
16	Psychological Testing	54	South San Francisco Clinic
17	Psychiatric Inpatient Discharge Summary	55	South San Francisco Letters
20	CSRC History and Physical Examination	88	Stat

C. Turnaround Times for Dictated Reports:

1. STAT within 3 hours of dictation (dictator must use appropriate STAT code). STAT reports include Conservatorship letters and transfer summaries.
2. History and Physicals, pre-op history and physicals, inpatient consultations and ED reports within 12 hours of dictation.

3. All other reports, except clinic notes, within 24 hours of dictation.
4. Clinic notes within 48 hours of dictation.

Contractor shall work with County to assure that the dictation system provides the appropriate report format. Contractor is responsible only for issues that apply to the use of Contractor's system.

D. Frequency of batch transmissions to be determined by each site

Contractor shall send batches based on a specific time(s) of day or by frequency (e.g. every three hours).

E. Vendor shall provide on-site Equipment

F. Equipment - Contractor shall provide the following:

1. Contractor shall provide on Digital Voice with sufficient ports to handle all of County's requirements, 125-hour redundant dictation system, with a networked back-up system and 1.6 gigabytes of back-up disk storage.
2. One OTIS file/fax server (486/DX100 with 16 mb of RAM, 1.6 gigabyte hard drive, and two 14,400 baud modems) in a mini-tower case.
3. One OTIS workstation (486/DX100 with 4 mb RAM, 300 megabyte hard drive, and 14,400 baud modem), in a minitower case with 14 inch color SVGA monitor. Workstations must be located within 100 feet of the OTIS file server.
4. One OTIS printer (connected to one of the OTIS workstations), which is a HP laserjet 5 Plus, with a speed of 12 pages per minute.
5. A complete backup fileserver/workstation and printer.
6. Maintenance for above equipment.

G. Contract shall respond to call for equipment related problems within one hour; Currently implemented (via phone). If the problem is identified before 2 p.m. (PST), Contractor shall provide on-site services the same day. If the problem is identified after 2 p.m. (PST), contractor shall provide on-site services the next morning.

H. Failure to respond within contracted times resulting in penalties as follows:

Monthly penalty for not meeting the specified transcription turnaround times:

<u>Turnaround Time</u>	<u>Penalty</u>
All work returned 24 hours after The contracted time	Reduced 2.5 percent
All work returned 48 hours after the Contracted turnaround time	Reduced 5 percent
All work returned 72 hours after the Contracted turnaround time	Reduced 7.5 percent

All penalty deductions must be identified within five (5) days from receipt of invoice and can only be taken if the invoice is paid within thirty (30) days. In no event shall turnaround time be less than (5) times the duration of the dictation. Stat Report turnaround time shall be measured from the time Vendor is notified by Client of Stat Report Status until report is transcribed. Vendor shall not be penalized for failure to meet turnaround time if such failure results directly or indirectly from acts outside of the reasonable control of Vendor (e.g., equipment failure; phone line failure; force majeure). Physicians shall be responsible for dictating in an understandable manner and in appropriate time frame in accordance with applicable rules and regulations of the Client.

Under no circumstances would the total amount of penalty for non-compliance related issues exceed 3% of total amount of invoice and shall be subject to all terms and conditions of the above paragraph.



II. San Mateo County General Hospital Requirements

County shall provide the following:

1. Telephone Outlets - To support the in-hospital dictation system (and access thereto by Contractor's transcription staff), and County must provide loop start telephone extensions terminating at the location chosen for the DVI dictation unit. Exact number of telephone extension to be determined at pre-cutover meeting. At the location of the transcription management workstation (OTIS), County must provide a minimum of four dedicated phone lines with outside line access to support the sending and receiving of completed transcription, the FAX manager and a remote diagnostic modem.
2. Speed Dial System - County shall implement a speed dial system to enable abbreviated dial for direct access to the dictation system.
3. Power - Contractor requires two dedicated standard wall outlets at the location of the dictation unit and the OTIS system.
4. Printer Maintenance - Contractor is responsible for all service maintenance of the computer and printer equipment. However, County personnel shall be required to provide toner and paper.
5. Physician Information - County agrees to provide via fax or mail information on each new doctor to be added to the staff, including full name, physician I.D. number and specialty.
6. Patient Demographics - If County desires Contractor to incorporate County generated demographic information into the transcribed reports, the County must provide contractor with electronic access to ADT transactions in a near real time (a minimum of once per hour).

## SCHEDULE B

### PAYMENTS

In consideration of the services described in paragraph I, above, Contractor shall be reimbursed as follows:

- A. \$0.1282 per 65 character line for services provided through county's direct dial extensions through the county's switchboard.
- B. In the event Contractor is required to install Contractor's own outside telephone lines into San Mateo County General Hospital (SMCGH), Contractor shall be reimbursed a \$0.005 surcharge in addition to the line rate described in subparagraph A, above.
- C. Contractor agrees to provide billing breakdown by document type. Invoices will be submitted weekly and paid within thirty (30) days of submission.

The term of the agreement is May 1, 2001 through April 30, 2004. In no event shall total payment for services under this Agreement exceed ONE MILLION FOUR HUNDRED THIRTY-NINE THOUSAND SIX HUNDRED TWENTY-TWO (\$1,439,622).

## SCHEDULE C

Contract between County of San Mateo and MedQuist Transcriptions, Ltd., hereinafter called "Contractor."

- a. No person shall, on the grounds of race, color, creed, national origin, religious affiliation or non-affiliation, sex, sexual orientation, marital status, age (over forty (40)), disability, medical condition (including but not limited to AIDS, HIV positive diagnosis, or cancer), political affiliation or union membership be excluded from participation in, be denied the benefits of, or be subjected to discrimination under this Agreement.
- b. Contractor shall insure equal employment opportunity based on objective standards of recruitment, selection, promotion, classification, compensation, performance evaluations, and management relations, for all employees under this contract. Contractor's personnel policies shall be made available to County upon request.
- c. Contractor shall assure compliance with Section 504 of the Rehabilitation Act of 1973 by submitting a signed letter of assurance (Attachment I) of compliance. Contractor shall be prepared to submit a self-evaluation and compliance plan to County upon request within one (1) year of the execution of this Agreement.

Attachment I

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

The undersigned (hereinafter called the "Contractor(s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor(s) gives/give this assurance in consideration of and for the purpose of obtaining contracts after the date of this assurance. The Contractor(s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor(s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)

- a.  employs fewer than 15 persons.
- b.  employs 15 or more persons and, pursuant to Section 84.7 (a) of the regulation (45 C.F.R. 84.7 (a)), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

**Judi Compangno, Vice President - Human Resources**

Name of 504 Person - Type or Print

MedQuist Transcriptions, Ltd. Five Greentree Centre, Suite 311  
Name of Contractor(s) - Type or Print Street Address or PO Box

Marlton NJ 08053  
City State Zip Code

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

5/14/01  
Date

Judi Compangno, President & COO  
Signature and Title of Authorized Official

\*Exception: DHHS regulations state that:

"If a recipient with fewer than 15 employees finds that, after consultation with a handicapped person seeking its services, there is no method of complying with (the facility accessibility regulations)...other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."

COUNTY OF SAN MATEO

HEATH SERVICES ADMINISTRATION

MEMORANDUM

Date: April 25, 2001  
 To: Priscilla Morse, Risk Management/ Pony # EPS 163 Fax # 363-4864  
 From: Tere Larcina, Hospital and Clinics/Pony # HOS316/Fax # 2267  
 Subject: Contract Insurance Approval

CONTRACTOR: MedQuist, Inc.

DO THEY TRAVEL: No

PERCENT OF TRAVEL TIME:

NUMBER OF EMPLOYEES: More than one.

DUTIES (SPECIFIC): Contractor shall provide medical transcription services for San Mateo County General Hospital and Clinics.

<u>COVERAGE:</u>	Amount	Approve	Waive	Modify
Comprehensive Liability:	<u>\$2,000,000</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Motor Vehicle Liability:	<u>\$500,000</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional Liability:	<u>-0-</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Worker's Compensation:	<u>\$1,000,000</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS/COMMENTS:

*Priscilla Morse*  
 SIGNATURE

# ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD)

**PRODUCER**

Aon Risk Services  
Two World Trade Center  
New York, New York 10048

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

**COMPANIES AFFORDING COVERAGE**

- COMPANY A The Travelers Indemnity Co. of Illinois
- COMPANY B The Travelers Indemnity Co. of Connecticut
- COMPANY C
- COMPANY D

**INSURED**

Philips Electronics North America Corp.  
d.b.a. MedQuist Transcriptions, Ltd.  
1251 Avenue of the Americas  
New York, New York 10020-1104

**COVERAGES**

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

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
<b>GENERAL LIABILITY</b>					
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT	TC2J-GLSA-232T846-8-00	12-31-00	12-31-01	GENERAL AGGREGATE \$ 3,000, PRODUCTS - COMP/OP AGG \$ Incl. PERSONAL & ADV INJURY \$ 3,000, EACH OCCURRENCE \$ 1,500, FIRE DAMAGE (Any one fire) \$ 500, MED EXP (Any one person) \$ 10,
<b>AUTOMOBILE LIABILITY</b>					
A	ANY AUTO	TC2J-CAP-232T848-1-00	12-31-00	12-31-01	COMBINED SINGLE LIMIT \$ 2,000,
B	ALL OWNED AUTOS	TC2E-CAP-232T850-0-00	12-31-00	12-31-01	BODILY INJURY (Per person) \$
A	HIRED AUTOS	TRJ-CAP-232T851-2-00	12-31-00	12-31-01	BODILY INJURY (Per accident) \$
	NON-OWNED AUTOS				PROPERTY DAMAGE \$
<b>GARAGE LIABILITY</b>					
	ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$
<b>EXCESS LIABILITY</b>					
	UMBRELLA FORM				EACH OCCURRENCE \$
	OTHER THAN UMBRELLA FORM				AGGREGATE \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	TC2J-UB-232T841-9-00	12-31-00	12-31-01	WC STATUTORY LIMITS OTH-ER Statu
A	THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL	TDRJ-UB-232T842-0-00	12-31-00	12-31-01	EL EACH ACCIDENT \$ 2,000 EL DISEASE - POLICY LIMIT \$ 2,000 EL DISEASE - EA EMPLOYEE \$ 2,000
	OTHER				

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS**

All operations in the United States and Canada (see over).  
County of San Mateo is named as Additional Insured with respect to service being provided.

**CERTIFICATE HOLDER**

County of San Mateo  
222 W. 39th Avenue  
San Mateo CA 94403

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE COMPANY, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION ON THE COMPANY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.  
AUTHORIZED REPRESENTATIVE 