

**FIRST AMENDMENT TO THE AGREEMENT
WITH DELOITTE CONSULTING
FOR CONTINUING DEVELOPMENT OF A WEB-BASED SYSTEM**

THIS FIRST AMENDMENT TO AN AGREEMENT, entered into on this _____ day of _____, 2003, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and DELOITTE CONSULTING, hereinafter called "Contractor".

W I T N E S S E T H:

WHEREAS, the parties entered into an Agreement on October 29, 2002, in San Mateo County for the purpose of developing a web-based system for Alcohol and Other Drugs Services division that would allow treatment providers with an easier and accurate process for data entry; and

WHEREAS, the parties now wish to amend the Agreement to increase the amount and extend the term for the purpose of transitioning the system over to County for system maintenance.

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

1. Section 1: **I** - is hereby amended to read as follows:

Exhibit A: Statement of Work (FY 2003-03)

Exhibit B: Deloitte Consulting General Business Terms

Exhibit C: Statement of Work (transition) – New Material

Exhibit D: Business Associate Agreement (HIPAA)

2. Section 2: **Services to be performed by Contractor** is hereby amended to read as follows:

In consideration of the payments hereinafter set forth, Contractor shall perform services for County in accordance with the terms, conditions and specifications set forth herein and in Exhibit A, Exhibit B and **Exhibit C** attached hereto and by this reference made a part hereof.

3. Section 3: **Term** is hereby amended to read as follows:

The term of this Agreement shall be from 11/1/2002 to **6/2/2004**.

4. Section 4: **Payments** is hereby amended to read as follows:

In consideration of the services rendered in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A" and **Exhibit C**, County shall make payment to Contractor in the manner specified in Exhibit "A" and **Exhibit C**. In the event that the County makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the County at the time of contract expiration or termination. In no event shall total payment under this agreement exceed **\$1,469,005**.

5. Section 14: **Governing Law and Severability** is hereby amended to read as follows:

This Agreement and the exhibits hereto shall be governed by, and constructed in accordance with, the laws of the State of California (without giving effect to the choice of law principles thereof) with venue in the County of San Mateo Superior Court. If any provision of these terms is found by a court of competent jurisdiction to be unenforceable, such provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth herein.

6. All other terms and conditions of the agreement dated October 29, 2002, between the County and Contractor shall remain in full force and effect.

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

COUNTY OF SAN MATEO

ATTEST:

Clerk of the Board
Dated: _____

By: _____
Rose Jacobs _____, President
Board of Supervisors

Date: _____

Deloitte Consulting
Contractor - Print Name

Stephani Long - Principal
Name/Title - Print

Stephani Long
Signature

Date: *6/6/03*

DAISY Maintenance & Support

Statement of Work

The San Mateo County Human Services Agency (County) in partnership with Deloitte Consulting (hereinafter referred to as Contractor) has successfully developed a centralized web based Alcohol and Other Drug Services (AOD) application to manage its AOD clients and providers. The DAISY application is scheduled to be implemented in May 2003. Post implementation support and maintenance will be critical for the successful deployment of the DAISY application. This document includes the tasks that will be performed by the Contractor staff (DAISY Support Team) to support and maintain the DAISY application including the tasks required to provide knowledge transfer to County employees, the deliverable schedule, resource roles and responsibilities, payment schedule and assumptions.

1.0 Task Narrative & Deliverable Schedule

Maintenance and support of the DAISY application is defined as the provision of appropriately skilled resources (the DAISY Support Team) to support the County staff in maintaining, monitoring and tuning of the system following its initial implementation. It also includes support of the issues management process, including logging issues (trouble calls) and the processing of fixes, including coding, testing, implementation, documentation as per the technical development process as well as building online training modules for training.

The specific tasks that will be performed by the DAISY Support Team can be categorized into the following main categories:

- 1.1 Project Management and Communication
- 1.2 Core Maintenance
- 1.3 Knowledge Transfer
- 1.4 Online Training Modules

Each of these tasks is explained in more detail below.

1.1 Project Management and Communication

Project management and communication are critical to the support process such that operations and maintenance issues are identified early and resolved in an efficient and effective manner. The DAISY Support Team will manage communications on the basis of established project communication procedures. To facilitate vital communication among all team members, key project members will be expected to actively support project communications and attend any meetings as determined by the County Project Manager.

As part of the project communications process, the Contractor Project Manager will provide written Monthly Status Report. The reports will cover all activities associated with application maintenance and monitoring, updates and fixes, and knowledge transfer. The Contractor Project Manager will also conduct monthly status meeting, with key project team members to review on-going project task status. In addition, other project documentation will be updated as appropriate.

The Project Management and Communication task also includes the review and prioritization of Change Requests for the DAISY application. The Contractor proposes the creation of a Change Control Board (CCB) to qualify and prioritize change requests and categorize them as defined below. The purpose of the CCB is to evaluate and assess all change requests, tasks, bugs and issues, approve or reject the change requests and prioritize approved change requests among existing tasks. The CCB will include the County Project Manager, the County AOD Representative and the Contractor Project Manager. Change requests can be of three types:

- **Fix Requests** - Fix requests are fixes to the DAISY application that are required for DAISY to operate per the specifications in the approved DAISY design specifications documents. These documents include the design for the user interface, business logic and database. Fix requests will be addressed by the DAISY Support Team as part of maintenance and support services.
- **Minor Modification Requests** – Minor Modification Requests refer to changes in screen layout, sorting functionality on individual tables, page and field validations, and label and text changes on a DAISY screen. These change requests do not impact the business logic and database components of the DAISY application. Though not considered maintenance activities, Minor Modification Requests that are determined to be a priority by the CCB will be addressed by the DAISY Support Team within the capacity of available resources where deemed appropriate by the CCB. Modification requests would be deemed minor in nature if the effort required to implement the change is estimated at 40 person hours or less.
- **Significant Design Modification Requests** – Significant Design Modifications refer to the development of new code or features added to support the existing DAISY application. These requests may impact the business logic layer and/or the database layer. Significant Design Modification Requests may require additional resources and may therefore impact costs. The CCB will determine the appropriate course of action for each of these changes as they arise, including determining priority and estimating effort involved in implementation.

All requests will be tracked and managed using the Work Related Issue Tracking System already in use by the DAISY development team. The CCB will review the progress of Change Control tasks identified through the process and the County Project Manager will notify stakeholders of any related status changes as determined by the CCB. Upon completion and approval of the Change Request, the CCB will determine the appropriate time to move the associated change into production. Changes will be deployed into production at a scheduled time on a weekly basis in an effort to promote the DAISY application stability and to better manage related issues unless otherwise determined by the CCB. Prior to deploying any completed change request into production, the County Project Manager will coordinate a review of the proposed change with the related stakeholders and obtain appropriate approval.

1.2 Core Maintenance

The DAISY Support Team will be responsible for maintenance and operation of the user interface, business logic and database components of the DAISY application. Core Maintenance includes tasks required for the reliable, stable, and efficient operation of these components as well as for participation and assistance in preventing, diagnosing and resolve failures resulting from the operation of these components or the integration among components. Maintenance responsibilities will include monitoring DAISY components for overall system performance and tuning as needed. Processes associated with these components shall also be monitored. Logs including error logs associated with these components will be monitored and cause of errors identified.

Required activities to maintain the DAISY Components are categorized into the follow four main categories:

- System Management and Operational Activities
- Database Maintenance Activities
- Development Environment Maintenance Activities
- Application Maintenance Activities

These activities are explained in greater detail below:

System Management & Operational Activities

- Perform and implement quality assurance processes and procedures to ensure that routine development and maintenance responsibilities are executed in an efficient and effective manner. This may include:
 - Review and make regular service recommendations on application fixes.
 - Maintain test procedures, test data and scripts necessary to test validity of program fixes/patches/minor release changes.
- Perform activities required to manage maintenance issues, including identifying, logging, tracking, prioritizing and determining appropriate response to all system maintenance issues.
- Perform activities required to identify and resolve maintenance issues. This includes problem isolation, documentation, determination of corrective actions, resolution and testing.
- Document issue resolution including changes/updates to existing procedures and processes.
- Conduct a life cycle approach to managing upgrades, including plan, validate, test and implement.
- Report operational issues or failures to the HSA BSG help desk for tracking and escalation.

Development Environment Maintenance Activities

- Conduct activities necessary for the effective maintenance of the development and production environment associated with the DAISY application.
- Install and test system and application software patches, fixes and minor release changes.
- Perform periodic stress testing as requested by the County Project Manager.

Application Maintenance Activities

- Maintain DAISY application screens and COM+ component code.
- Provide load balancing services as required to ensure optimum system performance.
- Modify the application as necessary to correct any errors that may arise such that each item of software operates according to specifications as documented in the DAISY systems ASP and COM+ Specifications Document.

Database Maintenance Activities

- Provide required number of database instances for production, training, development and testing purposes.
- Analyze, plan and implement changes in the size of databases due to ordinary fluctuations in business growth.
- Maintain the data dictionary and data models.
- Comply with logical and physical database standards to support DAISY change requests.
- Implement performance-enhancing modifications:
 - Tune and reorganize database as required to maintain system performance requirements and in accordance with a schedule.
 - Create indices and make recommendations on methods to optimize application performance.
- Monitor and provide performance utilization tracking reports on data base performance and space utilization.
- Routinely backup the application database and restore if necessary:
 - Routine maintenance and modification of application database archive processes and procedures.
 - Execute periodic data archiving process according to archiving procedures.

1.3 Knowledge Transfer

The DAISY Support Team will conduct a structured program to transition on-going support and maintenance of the DAISY system to the County, within the constraints of the County's ability to provide its own resources for knowledge transfer. Knowledge transfer activities will focus on three areas, as outlined below.

- Mentoring – The County will identify staff trained in Oracle 9i database, and has plans to recruit and or train for skills in Microsoft ASP and Visual Basic and other key components of the DAISY application. These individuals will be tasked with working side by side with Contractor staff to learn the configuration and administration of these components. The Contractor Project Manager will work with the County Project Manager to develop a mentorship program including:
 - Identifying pre-requisite skills and training for County staff
 - Identifying a prioritized list of roles and responsibilities to be assumed by County staff
 - Specific mentor/mentee relationships with clearly defined goals
 - Timelines and milestones for the knowledge transfer process
- Documentation – Contractor shall provide system documentation to support the on-going operations of the DAISY application. The DAISY Support Team will be responsible for creating the DAISY Operations Guide that will detail the maintenance and operations procedures for the DAISY application. Contractor shall also be responsible for upgrading

or developing any additional documentation, relevant to DAISY operations procedures as deemed appropriate by the CCB.

- Knowledge Transfer Library - Contractor will develop an on-line library for all knowledge transfer documentation and will be responsible for validating, testing, documenting and publishing all processes, procedures and scripts required to ensure consistent reliable execution of routine daily maintenance and issue response and management.
- Co-location of support teams -- The DAISY Support Team (with exception of Project Partner and the Project Manager) shall be physically located in close proximity to the County support staff. Planning and routine status meetings will be held at the HSA facility at Harbor Boulevard. This facility will be the primary work site for the DAISY Support staff involved in the daily maintenance and operational support of the DAISY application.

1.4 Online Training Modules

The DAISY Support Team will build 10 online training modules using the Toolbook Assistant software from Click2Learn. These training modules will be deployed on the DAISY website and will be accessible to all DAISY users. The online training modules will be interactive, will incorporate exercises for the users and will be based on the DAISY user manual. These training modules will provide the County the option to provide training on DAISY without incurring additional expenses to provide training in a classroom setting.

Deliverable Schedule

Table 1-1 below lists the main tasks described above any associated deliverables and a deliverable schedule.

| Tasks | Deliverables | Deliverable Schedule* |
|--|---|-----------------------|
| 1.1 Project Management and Communication | Monthly Status Report | Every Month |
| 1.2 Core Maintenance | Updated ASP, COM+ Specifications Document (if applicable) | N/A |
| 1.3 Application Updates | Work Plan for all scheduled updates to the DAISY Application (if applicable) Updated ASP, COM+ Specifications Document (if applicable) | N/A |
| 1.4 Knowledge Transfer | Maintenance and Operations Guide | Sept 2003 |
| 1.5 Online Training Modules | Online Training Modules using Click2Learn | Aug 2003 |

Table 1-1: List of tasks, associated deliverables & deliverable schedule

*All Deliverables are due at the end of the specified month. Please see Section 3.0 for more details on the Project Timeline.

2.0 Resource Roles and Responsibilities

This section describes the proposed roles and responsibilities for the DAISY Support Team.

| Resource Role | Responsibility |
|------------------------------|--|
| Project Partner | The Project Partner will have overall responsibility for the successful completion of the Maintenance and Support Project for the Contractor. The Project Partner will work closely with HSAs Automation Director and the Deloitte Consulting Project Manager. In addition, the Project Partner will advise the DAISY Support team on the development of deliverables, enforcement of quality control and management and overall assessment of project related risks. |
| Project Manager | The Project Manager's responsibilities will include managing all Deloitte Consulting staff, conducting monthly status meetings, monitoring work, providing guidance and controlling the project by using corrective action plans to ensure smooth progress. The Project Manager will have day-to-day responsibility for running the project, and will have the authority to direct all DAISY Support Team members on the project. The Project Manager will also be responsible for coordinating all aspects of the project and ensuring that all deliverables and tasks are completed on time and to an appropriate standard of quality. The Project Manager will be full time for the first five weeks of the project and help in providing on site post implementation support. After this initial period, the Project Manager will be part time on the project. |
| Application Lead | The Application Lead will provide post implementation support immediately after go live for a period of 3 weeks. The Application Lead will be responsible in assisting the Project Manager with the resolution and implementation of any post implementation issues that arise soon after the DAISY application goes live. |
| Application Analyst | The application analyst will be responsible for all the application maintenance and tuning tasks as listed in the Core Maintenance task in Section 1. They may also use alternate technologies such as PL/SQL and Visual Basic for accomplishing their tasks. In order to keep the overall cost to the County low, we will cross train the Application Analyst on ASP technology so that the User Interface analyst can be rolled off the project after a period of two months. |
| User Interface Analyst | The User Interface Analyst will be responsible for providing post implementation support for the DAISY User Interface for a period of 2 months. As mentioned above the User Interface Analyst will also be responsible for transitioning off their responsibilities to the Application Analyst at the end two months. |
| Database Administrator (DBA) | The Database Administrator will be responsible for all the database maintenance and tuning tasks as listed in the Core Maintenance task in Section 1. |

Table 2-1: Roles and Responsibilities of the DAISY Support Team

Please see the organization chart below (Figure 2-1) for reporting relationships for the DAISY technical team. For the Knowledge Transfer activities listed in Section 1.0 above to be successfully accomplished, it is imperative that the "To Be Determined" positions (DBA and Application Analyst) in the organization chart are filled by the County in a reasonable timeframe. The DBA will need to be skilled in Oracle 9i database management systems and the Application Analyst will need to be experienced in Microsoft technologies – Visual Basic, ASP programming and Structured Query Language. The Contractor will not be responsible for training the County employees in these technologies.

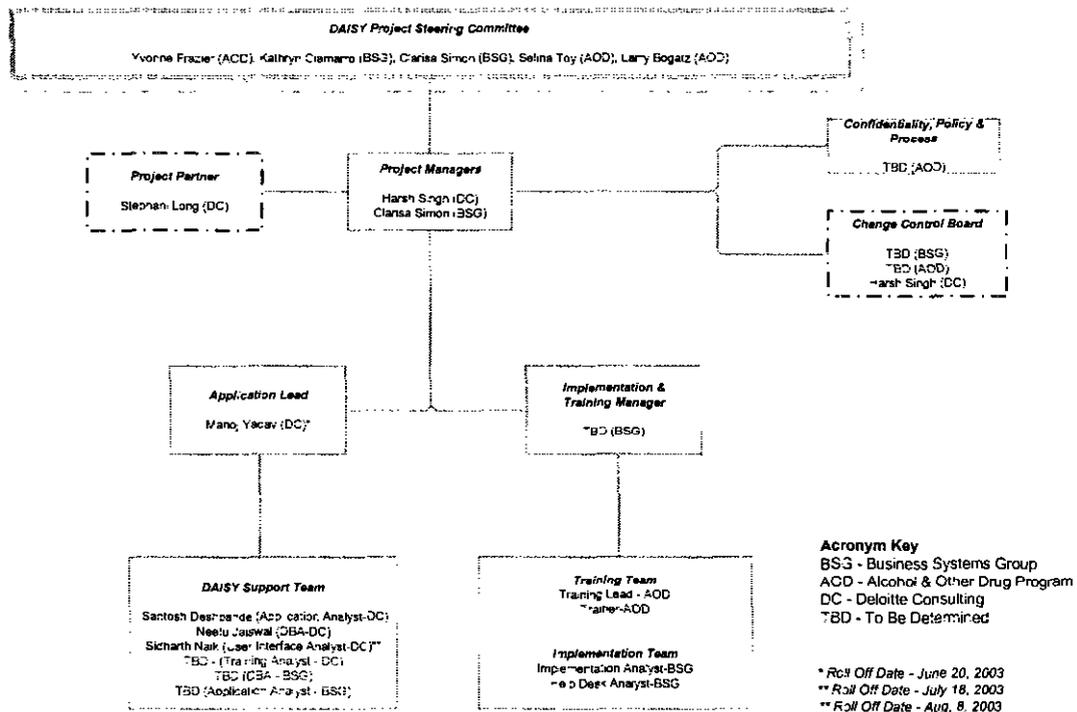


Figure 2-1: Organization Chart for DAISY Maintenance and Support Technical Team

3.0 Time Line and Payment Schedule

Deloitte Consulting is proposing a staffing schedule for the DAISY Maintenance and Support Project that will provide a DAISY Support Team to conduct the tasks detailed in Section 1.0 of this document. In addition, the proposed staffing schedule supplements the County Implementation team by providing additional resource hours for the initial 3-4 weeks after “going live.” This will be critical for the successful deployment of the DAISY application.

Please see the following table for a detailed estimate of the monthly hours for each resource on the DAISY Support Team:

| Resource Role | Estimated Monthly Hours by Resource | | | | | | | | | | | | |
|----------------------------|-------------------------------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | Year 2003 | | | | | | | Year 2004 | | | | | |
| | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
| Project Partner | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 8 | 4 | 4 | 4 | 4 | 4 |
| Project Manager | 160 | 200 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 |
| Application Lead | 160 | 200 | - | - | - | - | - | - | - | - | - | - | - |
| Application Analyst | 160 | 200 | 160 | 200 | 160 | 160 | 200 | 160 | 160 | 160 | 200 | 160 | 200 |
| Database Administrator | 160 | 200 | 160 | 200 | 160 | 160 | 200 | 160 | 160 | 160 | 200 | 160 | 200 |
| User Interface Analyst | 160 | 120 | - | - | - | - | - | - | - | - | - | - | - |
| Training Analyst | 160 | 200 | 40 | - | - | - | - | - | - | - | - | - | - |
| TOTAL Hours -- 6280 | 964 | 1124 | 388 | 428 | 348 | 348 | 432 | 348 | 348 | 348 | 428 | 348 | 428 |

Table 3-1 Staffing Schedule for DAISY Maintenance & Support

The above staffing schedule assumes a project start date of June 2, 2003. The length of the project will be for a period of 13 months from the project start date. The Contractor will bill the County subject to approval of the deliverables according to the payment schedule in Table 3-2. The total amount of the project will not exceed \$579,655 for the scope of services as described in this Statement of Work.

| Deliverables | Deliverable Schedule* | Cost | Number of Deliverables | Total Cost |
|----------------------------------|-----------------------|----------|------------------------|------------------|
| Monthly Status Report | Monthly | \$33,440 | 12 | \$434,720 |
| Online Training Modules | Aug 2003 | \$56,613 | 1 | \$56,613 |
| Maintenance and Operations Guide | Sept 2003 | \$88,322 | 1 | \$88,322 |
| | | | TOTAL | \$579,655 |

Table 3-2 Payment Schedule for DAISY Maintenance and Support

*All Deliverables are due at the end of the specified month.

4.0 Assumptions

Contractor has developed this statement of work with the following assumptions.

Project Management

- The Contractor assumes a project start date of June 2, 2003. The length of the project will be for a period of 12 months from the project start date.
- County will provide timely resolution of the County controlled issues that affect the project plan and schedule.

- Review and comments on deliverables by County representatives will occur in a cooperative, timely, and ongoing manner. Our work plan is predicated upon 5 days of deliverable acceptance period
- County will provide executive support and communications on the importance and priority of the project.
- The cost proposal for professional services included in Section 3.0 is valid till August 29, 2003.
- County will be responsible for the maintenance of the technical infrastructure (hardware and network), which includes installations, configuration, capacity planning, backup/recovery, and maintenance.

Services

- All Application Update requests and Core Maintenance requests will be tracked and managed using the Work Related Issue Tracking System installed on the HSA LAN. The Contractor assumes that all County staff assigned to the DAISY project will have access to this tracking system.
- The Core maintenance scope of services is limited to providing application monitoring and operations for the existing software applications. Any new functionality integrated into the DAISY application other than Application Updates may require additional skills and effort and is not covered by the scope of this SOW.
- Support services will be limited to maintenance activities and system fixes or ‘bugs’ only.
- Contractor assumes that all County technical resources receiving a knowledge transfer will have baseline knowledge of the tools and technologies implemented on the DAISY project.
- Knowledge Transfer will be limited to the assigned County resources staffed on the DAISY project.
- The number of online training modules will be limited to 10. These training modules will be built using the Toolbook Assistant software from Click2Learn and deployed on the DAISY website.

Project Organization

- County will provide staff, as identified in the Organization Chart in Section 2.0, in a timely manner to support the project.
- County staff will be available for meetings as required.
- County will provide the facilities, hardware and software including PCs, printers, fax, connectivity to the Local Area Network and the Internet, office supplies, etc. to the Deloitte Consulting team working on the project. These facilities will be made available on 24 hours a day, 7 days a week basis.
- County will complete all activities it is responsible for by timeframes as outlined in this proposal.
- Each Contractor team member is currently available to commence work with County when the project starts. Should a team member become unavailable, we will work with County to agree on an equally well-qualified replacement team member.
- Contractor staff will always remain under the direction of the Contractor Project Manager.

**COUNTY OF SAN MATEO
BUSINESS ASSOCIATE AGREEMENT**

Agreement No. _____

Contractor Name and Address

Deloitte Consulting
10 Westport Road
P.O. Box 820
Wilton CT 06897-0820

It is agreed between the County of San Mateo, California, and Contractor as follows:

1. Definitions

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

(a) *Business Associate*. "Business Associate" shall mean Deloitte Consulting
 [Insert Name of Contractor].

(b) *Covered Entity*. "Covered Entity" shall mean that part of the County of San Mateo designated as the hybrid entity within the County of San Mateo subject to the Standards for Privacy of Individually Identifiable Health Information set forth in 45 Code of Federal Regulations Part 160 and Part 164, Subparts A and E ("County").

(c) *Designated Record Set*. "Designated Record Set" shall have the same meaning as the term "designated record set" in Section 164.501.

(d) *Individual*. "Individual" shall have the same meaning as the term "individual" in Section 164.501 and shall include a person who qualifies as a personal representative in accordance with Section 164.502(g).

(e) *Privacy Rule*. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations Part 160 and Part 164, Subparts A and E.

(f) *Protected Health Information*. "Protected Health Information" shall have the same meaning as the term "protected health information" in Section 164.501 and is limited to the information created or received by Business Associate from or on behalf of Covered Entity.

(g) *Required By Law*. “Required by law” shall have the same meaning as the term “required by law” in Section 164.501.

(h) *Secretary*. “Secretary” shall mean the Secretary of the United States Department of Health and Human Services or his or her designee.

2. Obligations and Activities of Business Associate

(a) Business Associate agrees to not use or further disclose Protected Health Information other than as permitted or required by the Agreement or as Required by Law.

(b) Business Associate agrees to use appropriate safeguards to prevent the use or disclosure of the Protected Health Information other than as provided for by this Agreement.

(c) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

(d) Business Associate agrees to report to Covered Entity promptly of any use or disclosure of the Protected Health Information not provided for by this Agreement.

(e) Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

(f) Business Associate agrees to provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, if Business Associate has Protected Health Information in a Designated Record Set to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under Section 164.524.

(g) Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set, if applicable, that the Covered Entity directs or agrees to make pursuant to Section 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

(h) Business Associate agrees to make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Covered Entity, or at the request of the Covered Entity, to the Secretary, in a time and manner designated by the Covered Entity or the Secretary, for purposes of the Secretary determining Covered Entity’s compliance with the Privacy Rule.

(i) Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.

(j) Business Associate agrees to provide to Covered Entity or an Individual, in the time and manner designated by Covered Entity, information collected in accordance with Section 2(i) of this Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.

3. Permitted Uses and Disclosures by Business Associate

(a) Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in Deloitte Consulting - DAISY [Insert Name of Services Agreement], provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity.

(b) Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

(c) Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

(d) Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 Code of Federal Regulations 164.504(e)(2)(i)(B).

4. Obligations of Covered Entity

(a) Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with Section 164.520, as well as any changes to such notice.

(b) Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

(c) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with Section 164.522.

5. Permissible Requests by Covered Entity

Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity, unless the Business Associate will use or disclose Protected Health Information for, and the service contract includes provisions for, data aggregation or management and administrative activities of Business Associate.

6. Term and Termination

(a) *Term.* The Term of this Agreement shall be effective as of Date of Execution [Insert Effective Date], and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this Section.

(b) *Termination for Cause.* Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall provide an opportunity for Business Associate to cure the breach or end the violation or else the County/Covered Entity will terminate the service agreement with Business Associate.

(c) *Effect of Termination.*

(1) Except as provided in paragraph (2) of this section, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction of Protected Health Information is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

7. Indemnity.

Business Associate will indemnify and hold harmless Covered Entity and any Covered Entity affiliate, officer, director, employee or agent from and against any claim, cause of action, liability, damage, cost or expense, including attorneys' fees and court or proceeding costs, arising out of or in connection with any non-permitted use or disclosure of Protected Health Information or other breach of this Addendum by Business Associate or any subcontractor, agent, person or entity under Business Associate's control.

8. Miscellaneous

(a) *Regulatory References.* A reference in this Agreement to a section in the Privacy Rule means the section as in effect or as amended, and for which compliance is required.

(b) *Amendment.* The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act, Public Law 104-191.

(c) *Survival.* The respective rights and obligations of Business Associate under Section 6 of this Agreement shall survive the termination of this Agreement.

(d) *Interpretation.* Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy Rule.

THIS CONTRACT IS NOT VALID UNTIL SIGNED BY ALL PARTIES

Contractor/Business Associate Signature

Date

Contractor/ Business Associate Name

County of San Mateo/Covered Entity Signature

Date

County Manager Signature

Date

BBC:sl

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**SAN MATEO COUNTY
MEMORANDUM**

DATE: June 5, 2003

TO: Priscilla Harris Morse **FAX:** 363-4864 **PONY:** EPS 163

FROM: Carla Damante **FAX:** 596-3478 **PONY:** HSA 210

SUBJECT: Contract Insurance Approval

The following is to be completed by the department before submission to Risk Management:

CONTRACTOR NAME: Deloitte Consulting

DOES THE CONTRACTOR TRAVEL AS A PART OF THE CONTRACT SERVICES? Yes

NUMBER OF EMPLOYEES WORKING FOR CONTRACTOR: 8 on Human Services Agency site.

DUTIES TO BE PERFORMED BY CONTRACTOR FOR COUNTY: Provide transitional post implementation support and maintenance to Human Services Agency's new web-based DAISY system.

The following will be completed by Risk Management:

| INSURANCE COVERAGE: | Amount | Approve | Waive | Modify |
|---------------------------------|--------------|-------------------------------------|-------------------------------------|--------------------------|
| Comprehensive General Liability | \$ 1m | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Motor Vehicle Liability | \$ 1m | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Professional Liability | \$ | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Workers' Compensation | \$ statutory | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

REMARKS/COMMENTS:

Priscilla Morse
Risk Management Signature

6-5-03
Date

MARSH

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER
NYC-002907471-03

PRODUCER

MARSH USA INC.
1166 AVENUE OF THE AMERICAS
NEW YORK, NY 10036
Attn: (212)345-5000

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

- COMPANY
A TRANSPORTATION INSURANCE CO
- COMPANY
B CONTINENTAL CASUALTY CO
- COMPANY
C N/A
- COMPANY
D VALLEY FORGE INSURANCE COMPANY

530003-CAS-03-04

INSURED

Deloitte & Touche USA LLP
10 Westport Road
P.O. Box 820
Wilton, CT 06897-0820

COVERAGES

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THE CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF SUCH POLICIES. AGGREGATE 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 |
|--------|---|-----------------------------|----------------------------------|-----------------------------------|--|
| A | GENERAL LIABILITY | GL 247869885 | 06/01/03 | 06/01/04 | GENERAL AGGREGATE \$ 1,000,000 |
| B | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY | GL 247869806 {CANADA} | 06/01/03 | 06/01/04 | PRODUCTS - COMP/OP AGG \$ 1,000,000 |
| B | <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR | GL 247869868 {PUERTO RICO} | 06/01/03 | 06/01/04 | PERSONAL & ADV N.JURY \$ 1,000,000 |
| | <input checked="" type="checkbox"/> OWNER'S & CONTRACTOR'S PROT | | | | EACH OCCURRENCE \$ 1,000,000 |
| | <input checked="" type="checkbox"/> HOST LIQUOR LIABILITY | | | | FIRE DAMAGE (Any one fire) \$ 1,000,000 |
| | | | | | VED EXP (Any one person) \$ 10,000 |
| A | AUTOMOBILE LIABILITY | BUA 247869871 {A/S} | 06/01/03 | 06/01/04 | COMBINED SINGLE LIMIT \$ 1,000,000 |
| B | <input checked="" type="checkbox"/> ANY AUTO | BUA 247869837 {PUERTO RICO} | 06/01/03 | 06/01/04 | |
| B | <input type="checkbox"/> ALL OWNED AUTOS | BUA 247869787 {PHD A/S} | 06/01/03 | 06/01/04 | BODILY INJURY (Per person) \$ |
| A | <input type="checkbox"/> SCHEDULED AUTOS | BUA 247869854 {PARTNERS TX} | 06/01/03 | 06/01/04 | BODILY INJURY (Per accident) \$ |
| | <input type="checkbox"/> RENTED AUTOS | | | | PROPERTY DAMAGE \$ |
| | <input checked="" type="checkbox"/> NON-OWNED AUTOS | | | | |
| | <input checked="" type="checkbox"/> AUTO PHYSICAL DAMAGE | \$500 DEDUCTIBLE COMP/COLL | | | |
| | GARAGE LIABILITY | | | | AUTO ONLY - EA ACCIDENT \$ |
| | <input type="checkbox"/> ANY AUTO | | | | OTHER THAN AUTO ONLY \$ |
| | | | | | EACH ACCIDENT \$ |
| | | | | | AGGREGATE \$ |
| | EXCESS LIABILITY | | | | EACH OCCURRENCE \$ |
| | <input type="checkbox"/> UMBRELLA FORM | | | | AGGREGATE \$ |
| | <input type="checkbox"/> OTHER THAN UMBRELLA FORM | | | | \$ |
| D | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY | WC 247869773 {AOS} | 06/01/03 | 06/01/04 | <input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER |
| D | | WC 247869823 {CA} | 06/01/03 | 06/01/04 | EL EACH ACCIDENT \$ 1,000,000 |
| A | THE PROPRIETOR/ PARTNER/EXECUTIVE OFFICERS ARE <input type="checkbox"/> INCL <input checked="" type="checkbox"/> EXCL | WC 247869790 {HAWAII} | 06/01/03 | 06/01/04 | EL DISEASE-POLICY LIMIT \$ 1,000,000 |
| | OTHER | | | | EL DISEASE-EACH EMPLOYEE \$ 1,000,000 |

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Reference: Human Services Agency

CERTIFICATE HOLDER

San Mateo County
Attn: THERESA RABE
555 COUNTY CENTER
REDWOOD CITY, CA 94063-1665

CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES OR THE ISSUER OF THIS CERTIFICATE.

MARSH USA INC.

BY: Nancy Bartolino

Nancy Bartolino

MM# (3:02)

VALID AS OF: 06/04/03