

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND  
MEDISAVE PHARMACIES, INC., DBA KINDRED PHARMACY SERVICES**

THIS AGREEMENT, entered into this \_\_\_\_ day of \_\_\_\_\_, 2004,  
by and between the COUNTY OF SAN MATEO, hereinafter called "County," and  
MEDISAVE PHARMACIES, INC., DBA KINDRED PHARMACY SERVICES,  
hereinafter called "Contractor";

**WITNESSETH:**

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;

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of providing pharmaceutical services and infusions services to patients at BLTC.

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

**1. Exhibits.**

The following exhibits are attached hereto and incorporated by reference herein:

Exhibit A—Services  
Exhibit B—Payments and rates  
Attachment I—504 Compliance

**2. Services to be performed by Contractor.**

In consideration of the payments set forth herein and in Exhibit "B," Contractor shall perform services for County in accordance with the terms, conditions and specifications set forth herein and in Exhibit "A."

**3. Payments.**

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A," County shall make payment to Contractor based on the rates and in the manner specified in Exhibit "B." The County reserves the right to withhold payment if the County determines that the

quantity or quality of the work performed is unacceptable. In no event shall the County's total fiscal obligation under this Agreement exceed ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000).

**4. Term and Termination.**

Subject to compliance with all terms and conditions, the term of this Agreement shall be from April 1, 2004 through March 31, 2005.

This Agreement may be terminated by Contractor, the Chief Executive Officer of San Mateo Medical Center or her designee at any time without a requirement of good cause upon thirty (30) days' written notice to the other party.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. Upon termination, the Contractor may make and retain a copy of such materials. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement.

**5. Availability of Funds.**

The County may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon unavailability of Federal, State, or County funds, by providing written notice to Contractor as soon as is reasonably possible after the county learns of said unavailability of outside funding.

**6. Relationship of Parties.**

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent Contractor and not as an employee of the County and that Contractor acquires none of the rights, privileges, powers, or advantages of County employees.

**7. 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, (C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended, 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.

**8. Assignability and Subcontracting.**

Contractor shall not assign this Agreement or any portion thereof to a third party or subcontract with a third party to provide services required by contractor under this Agreement without the prior written consent of County. Any such assignment or subcontract without the County's prior written consent shall give County the right to automatically and immediately terminate this Agreement.

**9. Insurance.**

The Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this paragraph has been obtained and such insurance has been approved by Risk Management, and Contractor shall use diligence to obtain such issuance and to obtain such approval. The Contractor shall furnish the Department/Division with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending the Contractor's coverage to include the contractual liability assumed by the 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 Department/Division of any pending change in the limits of liability or of any cancellation or modification of the policy.

- (1) **Worker's Compensation and Employer's Liability Insurance.** The Contractor shall have in effect during the entire life of this Agreement Workers' Compensation and Employer's Liability Insurance providing full statutory coverage. In signing this Agreement, the Contractor certifies, as required by Section 1861 of the California Labor Code, that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and will comply with such provisions before commencing the performance of the work of this Agreement.
- (2) **Liability Insurance.** The 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/her 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 contractors operations under this Agreement, whether such

operations be by himself/herself or by any sub-contractor 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 be not less than the amount specified below.

Such insurance shall include:

- |                                       |             |
|---------------------------------------|-------------|
| (a) Comprehensive General Liability   | \$1,000,000 |
| (b) Motor Vehicle Liability Insurance | \$1,000,000 |
| (c) Professional Liability            | \$1,000,000 |

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 the County, its officers, agents, employees and servants shall be primary insurance to the full limits of liability of the policy, and that if the 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.

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, the County of San Mateo 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.

**10. Compliance with laws; payment of Permits/Licenses.**

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, Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended, and 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.

In the event of a conflict between the terms of this agreement and State, Federal, County, or municipal law or regulations, the requirements of the applicable law will take precedence over the requirements set forth in this Agreement.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

**11. Non-Discrimination.**

- A. *Section 504 applies only to Contractors who are providing services to members of the public.* Contractor shall comply with § 504 of the Rehabilitation Act of 1973, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this Agreement.
- B. *General non-discrimination.* No person shall, on the grounds of race, color, religion, ancestry, gender, age (over 40), national origin, medical condition (cancer), physical or mental disability, sexual orientation, pregnancy, childbirth or related medical condition, marital status, or political affiliation be denied any benefits or subject to discrimination under this Agreement.
- C. *Equal employment opportunity.* Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County of San Mateo upon request.
- D. *Violation of Non-discrimination provisions.* Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to
  - i) termination of this Agreement;
  - ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;
  - iii) liquidated damages of \$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 section, the County Manager shall have the authority to examine Contractor's employment records with respect to compliance with this paragraph and/or to 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 30 days of such filing, provided that within such 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 their response to the Complaint when filed.

- E. *Compliance with Equal Benefits Ordinance.* With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.
- F. The Contractor shall comply fully with the non-discrimination requirements required by 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.

12. Retention of Records.

Contractor shall maintain all required records for three (3) years after the County makes final payment and all other pending matters are closed, and shall be subject to the examination and/or audit of the County, a Federal grantor agency, and the State of California.

13. Merger Clause.

This Agreement, including the Exhibits attached hereto and incorporated herein by reference, constitutes the sole Agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the parties.

14. **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.

15. **Notices.**

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

**In the case of County, to:**

Medisave Pharmacies, Inc., dba Kindred Pharmacy Services  
145 East Dana Street  
Mountain View, CA 94041

**In the case' of Contractor, to:**

San Mateo Medical Center  
222 W. 39 the Avenue  
San Mateo, CA 94403  
Attn: Sandra Kissoon

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

COUNTY OF SAN MATEO

By: \_\_\_\_\_  
Mark Church, President  
Board of Supervisors, San Mateo County

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

ATTEST:

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

MEDISAVE PHARMACIES, INC.  
DBA KINDRED PHARMACY SERVICES

\_\_\_\_\_  
Contractor's Signature

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

Long Form Agreement/Business Associate

## Exhibit "A"

### I. Description of Services to be Performed by the Contractor

In consideration of the payments described in Exhibit B, Contractor will provide pharmaceutical services and infusion services to patients of Burlingame Long Term Care (BLTC).

#### A. Duties and Obligations of Contractor

##### 1. Pharmaceutical Services

- a. Pharmacy shall provide routine Pharmaceutical Services to BLTC residents on an exclusive basis (except as provided below) seven days per week, Monday through Sunday. Pharmacy shall have a licensed pharmacist available 24 hours each day, seven days per week, to supply the Pharmaceutical Services to BLTC's residents and respond to BLTC's requests for pharmacist consultation. The parties acknowledge that residents of BLTC may exercise freedom of choice to utilize the services of any pharmacy of their choice, subject to BLTC's policies and procedures.
- b. Pharmacy shall provide pharmacist services under the general supervision of a qualified licensed pharmacist who shall be responsible for developing, coordinating, supervising and reviewing all Pharmaceutical Services delivered to residents in BLTC. Such pharmacist services shall include:
  1. Serving, as required, on appropriate BLTC committees, including quality assurance committee and pharmaceutical services committee.
  2. Submitting, at least quarterly, a written report to BLTC's quality assurance committee on the status of BLTC's Pharmaceutical Services and staff performance. Such report shall include, but not be limited to:
    - A review and assessment of compliance with any plan of action previously adopted by BLTC's quality assurance committee.
    - A review and ongoing assessment of compliance with all federal, state and local laws, regulations and rules and all of BLTC's pharmaceutically related policies and procedures including, for example, that drugs are



dispensed and labeled in compliance with federal and state laws, and provided on a prompt and timely basis.

- Recommendations, if any, for improving the delivery of Pharmaceutical Services with the goal of correcting or preventing instances of noncompliance and enhancing the level of resident care in BLTC.
3. Preparing and maintaining BLTC's Pharmacy Policy and Procedure Manual.
  4. Assisting BLTC in the accounting, destruction and reconciliation of unused controlled substances as prescribed by law, rule or regulation.
  5. Assisting BLTC's administrative staff in establishing and implementing policies and procedures for the safe and effective distribution, control and use of drugs.
  6. Participating as needed in BLTC's inservice training program for the licensed nursing staff at least once each calendar year.
- c. Licensure Compliance; Pharmacy shall obtain and maintain necessary licenses and certifications from all appropriate state and federal regulatory authorities including, but not limited to, the State Board of Pharmacy, the federal Drug Enforcement, and any state controlled substance licensing agency (if applicable).
  - d. Standards of Practice: Pharmacy shall develop, implement and maintain systems that meet or exceed applicable state and federal laws and regulations, Medicare and Medicaid standards and requirements for the filling and compounding of prescriptions and IV solutions, and any other standards or requirements required by third-party payors or insurers.
  - e. Inventory Control: Pharmacy will maintain an adequate inventory of supplies to fill BLTC's prescription orders, subject to manufacturer's availability.
  - f. Delivery of Orders: Upon receipt of prescription orders from BLTC, Pharmacy shall provide the requested Pharmaceutical Services promptly.
  - g. House Supplies: Pharmacy shall provide house supplies, as needed, to BLTC.

- h. Information: Pharmacy shall provide education materials, operational manuals and such other information as BLTC may request in order to understand and be able to use Pharmacy's equipment and instruments.

## 2. Infusion Services

- a. Pharmacy shall provide routing Infusion Services to BLTC's residents on an exclusive basis (except as provided below). Pharmacy shall have a licensed pharmacist available 24 hours each day, seven days per week, to supply the Infusion Services to BLTC's residents. The parties acknowledge that residents of BLTC may exercise freedom of choice to use the services of any pharmacy of their choice, subject to BLTC's policies and procedures.
- b. With respect to IV and parenteral nutrition services offered within BLTC, Pharmacy will assist in the development, coordination and implementation of such services by providing the following:
  - 1. IV classes for Health Care Facility RN and LVN staff, to a maximum of 8 hours annually, scheduled by mutual agreement. There shall be an additional charge for supplies.
  - 2. Assist the facility in the development of policies, procedures and protocols for IV and parenteral nutrition service. Amended and updated as necessary.
  - 3. Assist BLTC's administrative staff in establishing and implementing policies and procedures for the safe and effective distribution and administration of IV therapies.
  - 4. Participate, as needed, in BLTC's inservice training program of IV therapies for the licensed nursing staff as mutually agreed to a maximum of one hour per month during months BLTC has residents receiving IV service. Other in-service education will be provided at \$100 per hour of trainer time at a minimum of two hours charge.
- c. Licensure Compliance: Pharmacy shall obtain and maintain necessary licenses and certifications from all appropriate state and federal regulatory authorities including, but not limited to, the State Board of Pharmacy, the federal Drug Enforcement, and any state controlled substance licensing agency (if applicable).

- d. Standards of Practice: Pharmacy shall develop implement and maintain systems that meet or exceed applicable state and federal laws and regulations and Medicare and Medicaid standards and requirements for the filling and compounding of prescriptions and IV solutions, and any other standards or requirements required by third-party payors or insurers.
- e. Inventory Control: Pharmacy will maintain an adequate inventory of supplies to fill BLTC's prescription orders, subject to manufacturer's availability.
- f. Delivery of Orders: Upon receipt of prescription orders from BLTC, Pharmacy shall provide the requested Infusion Services promptly.
- g. House Supplies: Pharmacy shall provide house supplies, as needed, to BLTC.
- h. Information: Pharmacy shall provide education materials, operations manuals and such other information as BLTC may request in order to understand and be able to use Pharmacy's equipment and instruments.

B. Duties and Obligations of Contractor

1. Pharmaceutical Services

- a. Prescriptions: BLTC shall provide Pharmacy with copies of the prescription and/or medication orders for each new order for Pharmaceutical Services.
- b. Controlled Substance Prescriptions: BLTC shall provide Pharmacy with the original, properly executed prescription for all controlled substance prescriptions.
- c. Delivery of Order: BLTC, in conjunctions with Pharmacy shall determine the most appropriate arrangement for the delivery of all Pharmaceutical Services and choose a single drug distribution system for all BLTC patients.
- d. Recordkeeping: BLTC shall maintain all medical records for residents receiving Pharmaceutical Services under this Agreement. BLTC shall secure written consent from its eligible patients authorizing Pharmacy to access their medical records for the purpose of Pharmacy's fulfilling its obligations under this Agreement.

Pharmacy agrees to abide by all federal, state and local laws, rules and regulations pertaining to the confidentiality of such patient records.

- e. Drug Dispensing Equipment: Pharmacy shall provide BLTC with the drug distribution equipment described in detail on the attached Medication Carts addendum. All drug dispensing equipment provided by Pharmacy, including but not limited to medication carts and trays, shall remain the property of Pharmacy. Pharmacy shall replace or repair the equipment as necessary due to normal wear and tear, except if repair or replacement of this equipment is required due to its misuse by BLTC personnel, then BLTC shall bear the sole expense of such repair or replacement. If this Agreement is terminated or cancelled by BLTC for any reason before the its initial term, BLTC shall purchase this equipment from Pharmacy at its then depreciated value using five-year straight line depreciation.
- f. Billing Information: BLTC shall provide Pharmacy promptly with proper billing information for BLTC's residents including admission date, source of payment information, Medicare, and Medicaid billing information and payment status change.
- g. Facsimile Machine for Drug Orders: Pharmacy shall furnish BLTC with four facsimile machines that BLTC agrees to use exclusively to transmit orders for Pharmaceutical services to Pharmacy. If BLTC desires to use this facsimile machine for other purposes, then BLTC shall pay Pharmacy an additional fee of \$7 per month as rent for such use. Check here if BLTC chooses this option: yes . Such facsimile machine shall remain the property of Pharmacy and shall be returned to Pharmacy promptly upon the termination or cancellation of this Agreement. Pharmacy shall replace or repair the machine as necessary due to normal wear and tear, except that if repair or replacement of this machine is required due to its misuse by BLTC personnel, then BLTC shall bear the sole expense of such repair or replacement. Pharmacy shall maintain a service contract on the machine for necessary repairs and maintenance and will have the machines repaired or replaced by the contract company when service is needed. If BLTC authorized any work on this machine by a different repair service, BLTC shall be responsible for repairs or replacement of the machine if, on account of servicing by an unauthorized repair service, Pharmacy's service maintenance contract is voided. BLTC shall be responsible for provision of fax paper.

- h. Notice of Adverse Reactions: BLTC shall immediately notify Pharmacy of any legal, administrative or governmental surveys, investigations, reviews, or proceedings initiated against it or any provider that might affect BLTC's ability to perform their duties and obligations under this Agreement.

## 2. Infusion Services

- a. Prescriptions: BLTC shall provide Pharmacy with copies of the prescription and/or medication orders for each new order for Infusion Services.
- b. Controlled Substance Prescriptions: BLTC shall provide Pharmacy with the original, properly executed prescription for all controlled substance prescriptions
- c. Delivery of Orders: BLTC shall determine, in conjunction with Pharmacy, the most appropriate arrangement for the delivery of all Infusion Services and choose a single infusion device for all BLTC residents.
- d. Recordkeeping: BLTC shall maintain all medical records for residents receiving Infusion Services under this Agreement. BLTC shall secure written consent from its eligible patients authorizing Pharmacy to access their medical records for the purpose of Pharmacy's fulfilling its obligations under this Agreement. Pharmacy agrees to abide by all federal, state and local laws, rules and regulations pertaining to the confidentiality of such patient records.
- e. Billing Information: BLTC shall provide Pharmacy promptly with proper billing information for BLTC's residents including admission date, source of payment information, Medicare, and Medicaid billing information and payment status change.
- f. Notice of Adverse Actions: BLTC shall immediately notify Pharmacy of any legal, administrative or governmental surveys, investigations, reviews, or proceedings initiated against it or any provider that might affect BLTC's ability to perform their duties and obligations under this Agreement.

## Exhibit "B"

### I. Amount and Method of Payment

In consideration of the payments described in Exhibit "A", Contractor will be paid based on the following schedule:

#### A. Pharmaceutical Services

1. County shall pay a fee for service rate of AWP - 10% + \$3.95

This rate excludes the following:

- a. IV products and supplies
  - b. Enteral/Parenteral services
  - c. Ostomy supplies
  - d. OTC products
2. County shall pay to Pharmacy the Average Wholesale Price plus ten percent (10%) for OTC products. Average Wholesale Price shall be defined as the average wholesale price per Bergen-Brunswick Corporation (or its successor) as of the date of the billing.

#### B. Infusion Services

County will pay Pharmacy at the rates set forth below for Infusion Services. Services include medication Administration, compounding and monitoring, and Pharmacist IV Quality Assurance monitoring:

	*Non-compounded Hydration	\$20 per day
2.	*pain Management	\$25 per day +AWP
3.	*Other Therapies	
	a. Single drug therapy	\$29 per day +AWP
	b. Each additional drug	+AWP
4.	<u>*These prices are all inclusive for pharmaceuticals and infusion pump, if medically warranted**</u>	
5.	*IV Supplies	AWP +10%
6.	*Total Parenteral Nutrition/Peripheral Parenteral Nutrition	
	a. 1 liter/day	\$105 per day
	b. 2 liter/day	\$115 per day
	c. 3 liter/day	\$130 per day
	<u>Pricing for TPN is inclusive of lipids, amino acid, and dextrose formulation electrolytes, trace elements, heparin, and insulin. Infusion pump and pole rental is also included.</u>	
7.	<u>Additional medications (e.g. ranitidine, folic acid, multivitamins, etc) in TPN to be billed at AWP</u>	
8.	-- Indications for infusion pump are:	
	a. Resident history of unstable CHF	
	b. Midline catheter 3fr or smaller	
	c. All centrally placed catheters	
	d. <u>Resident's receiving (but not limited to): MSO4 continuous infusion, heparin drip, cytotoxic agents, Amphotericin B, TPN or PPN, hydration solutions with 30 meq or more of KCL/Liter</u>	
9.	*This per diem excludes the following:	
	a. Chemotherapy	
	b. Inotropic Therapy	
	Miscellaneous therapies can be negotiated on a case-by-case basis.	

- C. Pharmacy shall bill County monthly for all services and supplies provided under this Agreement except for state and county welfare program which are directly billed by Pharmacy. County shall remit payment in full for all prescriptions and on prescription drugs and supplies furnished by Pharmacy to BLTC for all private, Medicare and Veterans' Administration residents, all house supplies indicated in this Exhibit, and all consulting pharmacist services within 30 days of the day on which Pharmacy's invoices are received by County. (If County fails to make a payment when due, Pharmacy may terminate this Agreement immediately without prejudice to its claims for such payment or for other damages on account of the breach of this Agreement and Pharmacy may seek such other remedies as may be available at law or in equity. In addition, late payments shall bear interest from the date an invoice is due until paid at the rate of one and one-half percent (1 <sup>1</sup>/<sub>2</sub>) per month. BLTC shall identify and furnish to Pharmacy on a timely basis, and in no case over (30) days after service, all necessary information for billing regarding those residents who are covered by any and all state or county programs. If BLTC fails to identify and furnish all necessary billing information within (30) thirty days of service, County shall remit payment for all services provided for which it failed to provide billing information on a timely basis. Pharmacy shall prepare and submit directly invoices for all covered services for welfare e.g., Medicaid, residents for whom a direct state or county vendor billing process is applicable. BLTC shall notify Pharmacy promptly of any change in payor status or source of reimbursement for each resident.
- D. At BLTC's option, Pharmacy shall invoice the following payment sources directly for Services rendered to BLTC. Please circle and initial selected payors.

Private Pay Commercial Insurance and HMOs

- E. For those payment sources that Pharmacy agrees to invoice directly under this section of the Agreement, County is not responsible for payment to Pharmacy for Pharmaceutical Services provide to Burlingame Long Term Care residents, except as otherwise provided herein. County shall be responsible for payment to Pharmacy for Pharmaceutical Services provided to Burlingame Long Term Care if a resident or third-party payor refuses to pay Pharmacy as a result of the error or omission of Burlingame Long Term Care 9or any of its agents or employees.
- F. The term of this agreement is April 1, 2004 to March 31, 2005. Total payments for services provided under this agreement shall not exceed ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000).



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.  has no employees.
- b.  employs fewer than 15 persons.
- c.  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.

_____			
Name of 504 Person - Type or Print			
Medisave Pharmacies, Inc.		145 East Dana Street	
dba Kindred Pharmacy Services		Street Address or PO Box	
Name of Contractor(s) - Type or Print			
Mountain View	CA	94041	
City	State	Zip Code	

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

_____	_____
Date	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

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor:
Contact Person:
Address:
Phone Number:
Fax Number:

II Employees

Does the Contractor have any employees? Yes No

Does the Contractor provide benefits to spouses of employees? Yes No

\*If the answer to one or both of the above is no, please skip to Section IV.

III Equal Benefits Compliance (Check one)

- es, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.
O Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
~ No, the Contractor does not comply.
O The Contractor is under a collective bargaining agreement which began on (date) and expires on (date).

IV Declaration

declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Signature

Name (Please Print)

Title

Date