

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND MEDIMPACT
HEALTHCARE SYSTEMS, INC.**

THIS AGREEMENT, entered into this _____ day of _____, 2005,
by and between the COUNTY OF SAN MATEO, hereinafter called "County," and
MedImpact Healthcare Systems, Inc., hereinafter called "Contractor";

W I T N E S S E T H:

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 performing the pharmacy benefit management services hereinafter described for the San Mateo County Health Department, Mental Health Services Division and San Mateo Medical Center.

**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

Exhibit C- Performance Guarantees and Penalties

Attachment H—HIPAA Business Associate requirements

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 contract exceed THIRTY MILLION EIGHT HUNDRED EIGHTY THOUSAND DOLLARS (\$30,880,000).

4. Term and Termination.

Subject to compliance with all terms and conditions, the term of this agreement shall be from July 1, 2005 through June 30, 2007.

This Agreement may be terminated by Contractor, the Director of Health or his/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. Indemnification.

- A. Indemnity by County. County shall indemnify and save harmless Contractor, its officers, agents, employees and servants from all claims, suits or actions of every name, kind and description brought for, or on account of: (1) injuries to or death of any person, including County, or (2) damage to any property of any kind whatsoever and to whomsoever belonging, (3) 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 (4) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of Contractor, 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 Contractor has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

- B. Indemnity by Contractor. 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: (1) injuries to or death of any person, including Contractor, or (2) damage to any property of any kind whatsoever and to whomsoever belonging, (3) any sanctions, penalties or claims of damages resulting from County'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 (4) 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 County 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.

- C. Concurrent Negligence. In the event of concurrent negligence of County, its officers and/or employees, and Contractor, its officers and/or employees, then the liability for any and all claims for injuries or damage to persons and/or property which arise out of terms and conditions of this Agreement shall be apportioned according to the California theory of comparative negligence.

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 the County Manager, and Contractor shall use diligence to obtain such issuance and to obtain such approval. The Contractor shall furnish the County Manager 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 County Manager 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, ordinances and regulations, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and the Federal Regulations promulgated thereunder, as amended, and will comply with the Business Associate requirements set forth in Attachment H, 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 contract.
- 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 Contractors 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 Contractor 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 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:

Mental Health Services Division
225 West 37th Avenue
San Mateo, CA 94403

In the case of Contractor, to:

MedImpact Healthcare Systems, Inc.
10680 Treena Street, Fifth Floor
San Diego, CA 92131

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

COUNTY OF SAN MATEO

By: _____
Richard S. Gordon
President, Board of Supervisors

Date: _____

ATTEST:

By: _____
Clerk of Said Board

MEDIMPACT HEALTHCARE SYSTEMS, INC.



Frederick Howe
Chairman/CEO

Date: 8/30/05

Long Form Agreement/Business Associate

Attachment I

(Required only from Contractors who provide services directly to the Public on County's behalf.)

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.

Julia L. Cain, Manager, Comp, Benefits, HRMS
Name of 504 Person - Type or Print

MedImpact[®] Healthcare Systems, Inc.
Name of Contractor(s) - Type or Print

10680 Treena Street, 5th Floor
Street Address or PO Box

San Diego
City

CA 92131-2446
State Zip Code

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

8/30/05
Date

Clint R. [Signature]
Signature and Title of Authorized Official
VP Human Resources

*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."

EXHIBIT A
MEDIMPACT HEALTHCARE SYSTEMS, INC.
FY 2005 - 2007

Contractor shall provide prescription benefit management services for clients of the Health Department, Mental Health Services, and San Mateo Medical Center (SMMC). Clients belong to one (1) of three (3) plans: the Mental Health Services program for indigent mental health clients; the Mental Health Services Managed Care Plan for Medi-Cal clients; and the SMMC WELL Program for indigent physical health clients. These services shall be provided in a manner prescribed by the laws of California and in accord with the applicable laws, titles, rules and regulations. All payments under this Agreement must directly support services specified in this Agreement. Contractor shall provide the following services:

I. CLAIMS PROCESSING

Contractor shall provide online electronic claims adjudication for prescriptions which includes, but is not limited to: verifying, at the point-of-service when a prescription is presented to the pharmacy, the eligibility of the client, prescriber, and medication; relaying approval or denial to the network pharmacies based on the eligibility screenings; and processing the claims data and payments accordingly.

- A. Contractor's online claims adjudication system is to operate and be available to County and network pharmacies twenty-four (24) hours, seven (7) days a week. The Contractor's downtime will be no more than 1% of total operating time within each month. Contractor will supply to County reports measuring and totaling the downtime based on system access data provided by NDC-spell out. These reports will be supplied on an annual basis within twenty (20) business days of the end of the period.
- B. Contractor will process eligible, online claims submitted by the pharmacies in the network within 4 (four) seconds. Contractor will provide County with quarterly reports tracking and totaling the monthly amount of turnaround time for each online claim processing occurrence. These reports will be reconciled annually, within twenty (20) business days of the end of the period.

- C. Contractor will accurately adjudicate claims submitted online by the network pharmacies. A percentage of claims, mutually determined by County and Contractor, will be audited for accuracy, with error percentage extrapolated to represent total claims volume. Contractor will provide County with quarterly reports accounting for all claims paid during the month, itemized and totaled by pharmacy. These reports will be reconciled annually within twenty (20) business days of the end of the period.
- D. Contractor will accurately process eligible paper or manual claims within 30 (thirty) days of submittal by County eligible clients and pharmacies. Eligibility and payment of these claims must meet the criteria set forth by the County. A percentage of claims, mutually determined by County and Contractor, will be audited for accuracy, with error percentage extrapolated to represent total claims volume. Contractor will provide County with quarterly report tracking and totaling the amount of turnaround time and percentage error rate for manual claims processing. These reports will be reconciled annually within twenty (20) business days of the end of the period.

II. PHARMACY NETWORK

- A. Contractor shall ensure the availability of a network of community pharmacies in San Mateo County. Services shall be available seven (7) days a week, with at least three (3) regional stores offering twenty-four (24) hour services. At a minimum, services must be available in at least the following communities: Daly City, South San Francisco, San Bruno, San Mateo, Pacifica, Redwood City, Menlo Park, East Palo Alto, and Half Moon Bay. In addition, Contractor's customer service and pharmacy network must have multilingual capability, including at least Spanish and Tagalog in addition to English.

- B. Contractor shall include at least the following pharmacies:

San Mateo Medical Center Pharmacy.
222 W. 39th Ave
San Mateo, CA 94403

Ted's Village Pharmacy
29 West 25th Avenue
San Mateo, CA 94403

Baneth's Willow Road Pharmacy
900 Willow Road
Menlo Park, CA 94025

Anchor Drugs
481 Grand Ave
South San Francisco, CA 94080

Medicine Shoppe Pharmacy
210 San Mateo Road
Half Moon Bay, CA 94019

The Apothecary Pharmacy
1500 Southgate Avenue, Suite 10
Daly City, CA 94015

Exceptions to this requirement may be granted by the Health Director or her designee.

C. Each pharmacy in the network must:

1. Be an authorized California State Medi-Cal Provider.
2. Possess a State of California Pharmacy permit.
3. Possess an operating computerized patient profile system with which to monitor utilization, drug and food interactions, allergies, potential side effects, and physician prescribing patterns.
4. Dispense generic medications in place of name brands, unless the prescriber indicated "Do Not Substitute" (DNS) on the prescription and a brand name prior authorization is approved by the County through the Prior Authorization Process.
5. Cooperate fully with the County quality improvement activities, including reviews of all claim records, original prescriptions, and signature logs, as well as provide availability to pharmacy staff to answer questions related to quality of care concerns.
6. Assist County staff in resolving all complaints and grievances in a timely fashion.
7. Accept faxed prescriptions for eligible clients from authorized County prescribers and clinics, excluding Schedule II controlled substances where pharmacy has an available fax machine.
8. Treat all County clients in a courteous, professional manner, without regard to sex, race, or mental illness.

D. Member Services

Contractor shall ensure that delivery services are available as needed within the pharmacy network. Delivery shall include: delivery of medications to clients' homes or residential facilities; direct mail of medications as needed; and delivery of medications to County clinics.

Contractor shall ensure 80% network availability for the administration of Patient Assistance Programs from Pharmaceutical Companies. The Contractor shall maintain separate eligibility files for these clients, administer a differential dispensing fee of no more than \$5.21, and unique reporting requirements as determined by the County.

- E. The Contractor shall remove pharmacies from the network at County's discretion and/or when the County or the Contractor discovers that pharmacies no longer meet the criteria listed above. Contractor shall remove pharmacies within 10 (ten) business days of receipt of written notice by County requesting the removal.
- F. Complaints or requests made by the network pharmacies regarding the Contractor must be responded to by the Contractor within 24 hours to the County and to the pharmacy. An action plan must be developed within 5 business days, and complete follow through and resolution on all requests within 30 days, or longer if mutually agreed upon with the County.
- G. County or client complaints about a particular network pharmacy must be responded to by the Contractor within 24 hours. An action plan must be developed within 5 business days, and complete follow through and resolution on all requests within 30 days, or longer if mutually agreed upon with the County.
- H. Contractor shall be responsible for sending on-line messages or POS messages to the pharmacies at County's request at no additional cost to the County. All mailings by the Contractor must have prior approval by County.

III. MEMBER ELIGIBILITY

- A. Contractor shall maintain comprehensive up-to-date eligibility information for each plan. County shall provide daily eligibility updates, Monday through Friday. Contractor shall integrate these updates with existing eligibility files.

The eligibility files shall include, at a minimum, client name, unique identification number, and group or plan for which the client is eligible and current address. Files shall be loaded, error free, by the Contractor within 24 hours or 1 business day if Contractor receives the files by 4 p.m. Pacific Time. Verification reports shall be faxed to the plan the following morning of the load.

In the event that the eligibility files and benefit parameters County has supplied to Contractor are incorrectly loaded or become damaged or modified without County's request due to Contractor's fault, Contractor shall rectify the situation within 24 hours at no expense to the County, including but not limited to all related reports and payments.

- B. Contractor shall obtain real-time Medi-Cal eligibility via online access to MEDS file as soon as State Medi-Cal is able to pass this data to the PBMs. The contractor shall monitor this new service and will interface with this system as soon as it becomes available.
- C. The Contractor shall link a client (member) with more than one identification numbers with an "Alternate Member" number that's attached to both profiles. The Alternate Member ID shall be determined between the Contractor and County. This linkage shall enable processing of DUR edits and as well as generating detailed reports reflecting the two linked profiles.

IV. PHYSICIAN ELIGIBILITY

- A. Contractor shall maintain up-to-date physician eligibility information for each plan. County shall provide an initial file of the approved physician panel for each plan. County shall provide updates to Contractor either by fax or by email.
- B. During normal business hours, all physician adds/changes/terminations shall be entered into the system by the Contractor within 24 hours or 1 business day if Contractor receives the files by 4 p.m. Pacific Time. Contractor shall respond by fax or email confirming completion of physician add, terminations or changes within 24 hours during normal business hours.

In the event that the eligibility files and benefit parameters County has supplied to Contractor are incorrectly loaded or become damaged or modified without County's request due to Contractor's fault, Contractor shall rectify the situation within 24 hours at no expense to the County, including but not limited to all related reports and payments.

V. FORMULARY MANAGEMENT

- A. Contractor shall implement specific formularies for Mental Health Programs and the WELL Program. The initial formularies for Mental Health Programs and the WELL Program shall be provided by County prior to the commencement of services. Changes or updates shall be provided as needed by County. Contractor shall maintain a current database of these formularies to determine which medications are covered. Contractor shall provide clinical consultation, at the request of County, to assist with formulary issues, and to ensure that the most cost-effective drug therapies are established.
- B. Contractor shall manage a prior authorization system for non-formulary or restricted medications for the Mental Health Plans. All Prior Authorization Requests (PARs) are faxed to the Contractor, approvals or denials are based upon County protocol supplied to the Contractor. Contractor will assign a dedicated Prior Authorization Coordinator for County plans. PARs will be obtainable from Contractor between 8:00 am to 5:00 pm Monday through Fridays, except holidays. All PARs will be entered into the system, and a confirmation of approval or denial will be faxed to both physicians and pharmacies. Contractor shall also fax daily summary of PA approvals or denials to the Mental Health Pharmacy Services Manager.

For PARs that do not require clinical or physician intervention, the Contractor will enter into the system, and fax approval/denial notification to pharmacy and physician 95% within 1 business day of receipt and 100% within 2 business days of receipt. For PARs that require clinical intervention, 95% will be entered and faxed within 1 business day of resolution and 100% within 2 business days of resolution. The Contractor guarantees the accuracy of information provided by the PA staff on 99% of the PARs.

VI. BENEFIT ADMINISTRATION

A. Mental Health Indigent Program

Currently, there are no co-pays for the mental health benefit. However, if a co-pay is instituted at a later date, the Contractor shall follow the following procedures.

Clients are responsible for a FIVE DOLLAR (\$5) co-pay for each prescription. Contractor shall work with the network pharmacies to collect the co-pays. If the client is unable to pay at the point of service, but all other requirements of the plan are met, Contractor shall ensure that the network pharmacies fill the prescription. The network pharmacies shall bill Contractor for any co-pays not remitted, and Contractor shall bill County.

Contractor shall provide a monthly remittance advice to County of any unpaid co-pays. The remittance advice shall include patient name, patient identifier, and the amount of the outstanding co-pays, and date of service.

Contractor shall ensure 80% network availability for the administration of Patient Assistance Programs from Pharmaceutical Companies. The Contractor shall maintain separate eligibility files for these clients, administer a differential dispensing fee of no more than \$5.21, and unique reporting requirements as determined by the County.

B. Mental Health Managed Care Plan

Contractor shall ensure that the network pharmacies fill prescriptions that meet plan requirements for Share-of-Cost clients. Contractor shall ensure that costs data for filled prescriptions is keyed into Medi-Cal point-of-service devices at network pharmacies, as well as obtaining the actual share of cost that need to be applied to that client for a given month. Contractor shall also provide County with necessary reporting and EOB claims information to facilitate County's accurate billing to the State of California.

C. WELL Program

Clients are responsible for a FIVE DOLLAR (\$5) co-pay for each prescription. Contractor shall work with the network pharmacies to collect the co-pays. If the client is unable to pay at the point of service, but all other requirements of the plan are met, Contractor shall ensure that the network pharmacies fill the prescription. The network pharmacies shall bill Contractor for any co-pays not remitted, and Contractor shall bill County.

Contractor shall provide a monthly remittance advice to County of any unpaid co-pays. The remittance advice shall include patient name, patient identifier, and the amount of the outstanding co-pays, and date of service.

Contractor shall ensure retro-billing of Medi-Cal clients by the pharmacies. Contractor shall obtain a monthly Medi-Cal file from County to identify Medi-Cal recipients, change the member record in MediImpact system to indicate Medi-Cal eligibility, then Contractor shall ask the pharmacy to bill Medi-Cal and reimburse Contractor.

D. Benefit Change Requests

Pharmacy Benefit Change Requests forms submitted by County shall be processed within a turnaround time of 7-business days. If the 7-business day turnaround time cannot be met, the Contractor will contact the County and reach a mutually agreed upon due date.

E. Coordination of Benefits (COB)

If members have private insurance, County serves as a secondary insurer. Contractor shall have a mechanism to coordinate claims processing with the pharmacies so that the pharmacy will submit to Contractor for claims not reimbursable by the primary insurers. Contractor shall provide a COB report to the County with each EOB cycle. Performance standards for online and manual claims processing listed in Section I shall apply.

VII. REPORTING

Contractor shall provide the following products to assist County with service data: MedAccess, MedManager, and MedFocus. In addition, standard reports, and user manuals will be provided.

A. MedAccess

The MedAccess Program shall be made available to up to thirty (30) users within San Mateo County. This program will provide County with the ability to add, update, and terminate member records and prior authorizations in an on-line, real time environment, as well as review adjudicated claims. Five (5) concurrent users will be able to access MedAccess at any one time from County sites.

If MedAccess functions are not accessible during normal business hours, the Contractor shall remedy access problems either by fulfilling all requests County is unable to fulfill due to access problems or rectifying access problems within one (1) business day upon County's request and at no additional cost to the County.

B. MedManager

MedManager and MedManager On-Line reporting programs shall be made available to four (4) users for San Mateo County. Contractor shall install and maintain and support any software and required database management programs on the users' workstations in the County. The users of this ad hoc reporting tool shall have access to all data related to the three (3) County plans.

C. Training

Contractor shall provide telephone training, in the form of conference calls or Web based training, for the Contractor's claims software application and ad hoc reporting tool, as well as other necessary and related software and applications as needed. A total of four training sessions, each lasting a maximum of three (3) hours shall be offered and scheduled at mutually agreed to times. Contractor shall also provide and update, as needed, two hard copies of an electronic version of each of the Contractor's software application training manuals. If County system or personnel changes occur that necessitate additional training, training in an amount satisfactory to the County shall be supplied by Contractor at no cost to County.

Contractor shall provide technical support for the claims query tool accessed through terminal emulation and the ad hoc reporting tool being provided and this will include answering all users' questions pertaining to the use of the products and system capabilities. Technical support shall also include, but is not limited to, bug reporting, enhancement requests, and questions such as "How to construct a query...."

D. MedFocus

Quarterly MedFocus Reports shall be made available to San Mateo County. This outcome analysis reporting program shall relate to all data within the three (3) County plans. The program will provide retrospective DUR data.

E. Standard Reports

Contractor shall provide a standard report package consisting of ten (10) reports on at least a monthly basis. These include: Explanation of Benefits, Check-Run Control Totals, Claims Lag, Member Utilization by Paid Amount, Pharmacy Analysis, Rank Prescribing Physicians by Total Amount Paid Within Specialty, Top 100 Drugs by Number Written/Dollars Paid, Therapeutic Class, Utilization Summary, and 12-Month Cost. At County's request, other reports from Contractor's library may be substituted. Total reports provided are limited to ten (10) per reporting period.

F. EOB Reports for San Mateo Medical Center Pharmacy (NABP#546676)

Contractor will send the County EOB reports for paid claims filled by San Mateo Medical Center Pharmacy (NABP#546676). These reports will be faxed or mailed to San Mateo Medical Center Pharmacy, no later than 10 business days after the end of the EOB cycle.

G. User Manuals

Contractor will produce and distribute provider/user manuals after receiving County edits and final approval. Contractor shall update the manual biannually, and distribute them to pharmacy providers at no cost to the County.

In the event that Contractor made revisions or errors in the Users Manual, different from the version approved and sent from the County, the Contractor shall rectify any error within 24 hours of notification, and redistribute the corrected version within twenty (20) business days, at Contractor's expense.

H. Timeliness and Accuracy of the reports

Standard reports, MedManger CD updates, and MedFocus reports will be delivered by the twentieth (20) of the month at the end of the reporting period. User Manuals will be printed and distributed to network pharmacy providers by the twentieth (20) of the month after receipt of biannual revisions from County.

VIII. MedDividend

Contractor shall negotiate on County's behalf with major pharmaceutical companies for maximum dividends and rebates. Contractor will specifically target rebates for atypical antipsychotic medications, and other high cost/volume items as specified by County. Contractor shall supply County with quarterly progress reports on targeted drugs. Rebates and dividends received shall be credited to County on a monthly basis.

IX. Customer Service

- A. Contractor shall provide a toll-free number dedicated to San Mateo County plans. A team of Customer Service Representatives (CSRs) shall be thoroughly trained on the County plans, to the satisfactions of the County Mental Health and San Mateo Medical Center Pharmacy Managers. Contractor will provide training updates and refreshers to the dedicated CSRs monthly, or as determined necessary by the County. CSRs' phone calls will be monitored for accuracy of information disseminated. This toll-free help desk shall be available from 5 a.m. to 10 p.m., Monday through Friday; 6 a.m. to 7 p.m. on Saturday; and 7 a.m. to 7 p.m. on Sunday, Pacific Standard Time.
- B. The Contractor will send County on a quarterly basis, within twenty (20) business days of the end of the period, reports that itemize and total the telephone account data for County's account and detail the number and types of calls, and shall note the percentage of calls abandoned.

X. Account Management

- A. A dedicated account manager, with thorough knowledge of the County's plans, will be assigned by the Contractor. The Account Manager shall respond to all issues or problems related to the County plans within twenty-four (24) hours of notification of the problem. These issues include pharmacy complaints listed in Schedule A, Section IF and IG, as well as all other plan related issues. An action plan to resolve the problem will be developed within 5 business days, to the satisfaction of the County. All issues will be followed through to completion by the Account Manager within thirty (30) days, or longer if mutually agreed upon with County.
- B. When a transition of account manager occurs, Contractor shall give the County a minimum of thirty (30) days notice. The Contractor must ensure adequate training of the new Account Manager in regards to the details of the County plans. During the 30 days, a minimum of four (4) conference calls shall take place between the account managers (both incoming and outbound) and the designated County personnel to review plan details and pending issues.

XI. Administrative Requirements

A. Paragraph 12 of the Agreement and Paragraph 8.d. of Exhibit B notwithstanding, Contractor shall maintain medical records required by the California Code of Regulations. Notwithstanding the foregoing, Contractor shall maintain beneficiary medical and/or clinical records for a period of seven (7) years, except that the records of persons under age eighteen (18) at the time of treatment shall be maintained: a) until one (1) year beyond the person's eighteenth (18th) birthday or b) for a period of seven (7) years beyond the date of discharge, whichever is later.

B. Cultural Competency

Contractor shall use good faith efforts to translate health-related materials in a culturally and linguistically appropriate manner. At least once per year and upon request, Contractor shall provide to County copies of Contractor's health-related materials in English and as translated.

C. Contractor shall submit a copy of any licensing report issued by a licensing agency to County Mental Health Director or her designee within 10 business days of Contractor's receipt of any such licensing report.

D. Contractor may not employ any persons deemed an Ineligible Person by the Office of the Inspector General in the provision of services for the County through this agreement. Any employee(s) of contractor determined to be an Ineligible Person will be removed from responsibility for, or involvement with County clients or operations. An "Ineligible Person" is an individual who (1) is currently excluded, suspended, debarred or otherwise ineligible to participate in Federal health care programs, or (2) has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the Federal health care programs after a period of exclusion, suspension, debarment or ineligibility. Ineligibility may be verified by checking: www.Exclusions.OIG.HHS.Gov.

E. Beneficiary Rights

Contractor will comply with County policies and procedures relating to beneficiary's rights and responsibilities.

F. Availability and Accessibility of Service

Contractor shall offer hours of operation that are no less than the hours of operation offered to commercial enrollees, if the Contractor also serves enrollees of a commercial plan, or that are comparable to the hours the Contractor makes available for Medi-Cal services that are not covered by the County or another Mental Health Plan, if the Contractor serves only Medi-Cal clients.

G. Compliance Plan and Code of Conduct

Contractor shall read and be knowledgeable of the compliance principles contained in the Mental Health Compliance Plan and Code of Conduct. In addition, Contractor shall assure that Contractor's workforce is aware of compliance mandates, and are informed of the existence and how to use the Compliance Improvement Hotline Telephone Number (650) 573-2695.

EXHIBIT B
MEDIMPACT HEALTHCARE SYSTEMS, INC.
FY 2005 - 2007

In consideration of the services provided by Contractor in Exhibit "A", County shall pay Contractor based on the following fee schedule

I. Maximum Obligation

Notwithstanding the method of payment set forth herein, in no event shall County pay nor be obligated to pay Contractor more than the sum of THIRTY MILLION EIGHT HUNDRED EIGHTY THOUSAND DOLLARS (\$30,880,000) for services provided under Schedule A of this Agreement for the period of July 1, 2005, through June 30, 2007.

A. Mental Health Services

1. For the term of July 1, 2005, through June 30, 2006, the maximum obligation due to Contractor shall not exceed FOURTEEN MILLION FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$14,450,000). This amount includes a maximum of ONE HUNDRED FOURTEEN THOUSAND DOLLARS (\$114,000) for administrative charges, and a maximum of FOURTEEN MILLION THREE HUNDRED THIRTY-SIX THOUSAND DOLLARS (\$14,336,000) for drug costs.
2. For the term of July 1, 2006 through June 30, 2007, the maximum obligation due to Contractor shall not exceed SIXTEEN MILLION ONE HUNDRED SEVENTY-ONE THOUSAND DOLLARS (\$16,171,000). This amount includes a maximum of ONE HUNDRED FOURTEEN THOUSAND DOLLARS (\$114,000) for administrative charges, and a maximum of SIXTEEN MILLION FIFTY-SEVEN THOUSAND DOLLARS (\$16,057,000) for drug costs.
3. Advance
 - a. Contractor acknowledges that prior to the start date of this Agreement the County has paid Contractor in advance ("Prior Advance") an amount of ONE MILLION ONE HUNDRED SIXTY THOUSAND FIVE HUNDRED DOLLARS (\$1,160,500) .

- b. County will pay the Contractor an advance ("New Advance") in the amount of ONE MILLION ONE HUNDRED SIXTY THOUSAND FIVE HUNDRED DOLLARS (\$1,160,500). This advance will be due from County within ten (10) business days of receipt of an invoice for this amount from Contractor. Contractor shall initiate this invoice within thirty (30) days of the signing of this Agreement by County.
- c. Within ten (10) business days of receipt of New Advance, Contractor shall return the Prior Advance received from County in the amount of ONE MILLION ONE HUNDRED SIXTY THOUSAND FIVE HUNDRED DOLLARS (\$1,160,500).

B. San Mateo Medical Center – WELL Program

1. For the term of July 1, 2005, through June 30, 2006, the maximum obligation due to Contractor shall not exceed ONE HUNDRED TWENTY-THREE THOUSAND DOLLARS (\$123,000). This amount includes a maximum of TWENTY-TWO THOUSAND DOLLARS (\$22,000) for administrative charges, and a maximum of ONE HUNDRED ONE THOUSAND DOLLARS (\$101,000) for drug costs.
2. For the term of July 1, 2006, through June 30, 2007, the maximum obligation due to Contractor shall not exceed ONE HUNDRED THIRTY-SIX THOUSAND DOLLARS (\$136,000). This amount includes a maximum of TWENTY-TWO THOUSAND DOLLARS (\$22,000) for administrative charges, and a maximum of ONE HUNDRED FOURTEEN THOUSAND DOLLARS (\$114,000) for drug costs.

II. Fee Schedule

At the conclusion of each claim processing cycle, Contractor will invoice County for all charges due Contractor. Contractor shall bill County on or before the tenth (10th) working day of each month for the prior month. County shall make payment within ten (10) business days of receipt of such invoices.

A. CLAIMS PROCESSING:

Claims Per Month	Per Processed Claim Electronically Submitted*
Less than 10,000	\$0.29
10,000 - 19,999	\$0.24

20,000 - 29,999	\$0.20
30,000 - and above	\$0.19

* *Processing charges must meet a minimum of \$750.00 per bi-weekly invoice cycle for each plan to qualify for fee schedule. Add ten percent (10%) to Claims Processing Charges if reports are requested in other than via FTP.*

The claims processing fees include the following:

- Processing and payment of all Claims
- Concurrent Drug Utilization Reviews (DUR)
- Monthly and quarterly standard reports
- Administration of a standard MAC program
- Standard benefit design and implementation services
- Eligibility management
- EOB claims payment detail sent to Participating Pharmacies
- Biweekly Check-Run Control Totals sent to County
- Pharmacy Network Administration
- MedAccess™ – five (5) concurrent users with Claims and profile access, including associated access and modem lines for said users
- MedManager™ – four (4) concurrent users are included
- Deductible with/without benefit maximum
- Maximum benefit only by group
- Prior authorization services – one hundred (100) operational prior authorizations per month are included
- Toll free customer service help desk dedicated to San Mateo County Plans
- On-line messaging

B. **PHARMACY RATES***

1. Retail Blended Pharmacy Rates – Chain Pharmacies:

Brand: Average Wholesale Price (AWP) less twelve percent (12%) + TWO DOLLARS FIFTY CENTS (\$2.50) dispensing fee

Generic: The lesser of AWP – twenty-two percent (22%) or Maximum Allowable Cost II (MAC) + TWO DOLLARS SEVENTY-FIVE CENTS (\$2.75) dispensing fee.

2. Retail Blended Pharmacy Rates – Independent Pharmacies that provide additional service*:

Brand: Average Wholesale Price (AWP) less twelve percent (12%) + FIVE DOLLARS TWENTY-ONE CENTS (\$5.21) dispensing fee

Generic: The lesser of AWP – twenty-two percent (22%) or Maximum Allowable Cost II (MAC) + FIVE DOLLARS TWENTY-ONE CENTS (\$5.21) dispensing fee.

3. Patient Assistance Program from Pharmaceutical Companies:

Contractor shall work with County to ensure separate processing of obtained medications. These medications shall be reimbursed a FIVE DOLLAR TWENTY-ONE CENT (\$5.21) dispensing fee only.

Contractor shall work with County to ensure separate processing of obtained medications. These medications shall be reimbursed a FIVE DOLLAR TWENTY-ONE CENT (\$5.21) dispensing fee only.

There shall be no prescription costs provided by these pharmacies. Only administrative fees for claims processing, data reporting, etc. shall apply.

4. WELL Patients:

For WELL patients, fees charged to County shall be net of the FIVE DOLLAR (\$5) co-pay per script paid by the patient at the point of service. If the patient fails to pay the co-pay, Contractor may bill County for the FIVE DOLLAR (\$5) per prescription co-pay. The co-pay billing shall include a remittance advice (see Schedule A, Section VI.C.).

* ***“Blended” reimbursement rates means that the contracted reimbursement rate between Contractor and a Participating Pharmacy may vary from the rates described in this Schedule B; however, the amounts that County shall reimburse Contractor under this Agreement are solely the amounts described above.***

5. MedDividend® (manufacturer rebate administration) Recovery Quarterly Admin Fee

(Includes clinical and formulary management)	<\$125,000	35%
	\$125,000 - 149,999	30%
	\$150,000 - 174,999	25%
	\$175,000 - 199,999	20%
	\$200,000 - 249,999	15%
	\$250,000 - 499,999	12%
	\$500,000 - \$1M	11%
	>\$1M	10%

Clinical Services – Clinical Services are included at no additional charge if the **MedDividend®** option is selected.

County shall be responsible for all travel and lodging expenses and for reasonable time and materials charges for Clinical Pharmacist attendance at Pharmacy & Therapeutics (P&T) Committee meetings.

Formulary Maintenance – The following are included at no charge if **MedDividend®** option is selected: \$0.05 per member per month if **MedDividend®** option is not selected

- a. Assistance in the coding of the selected medication formulary for claims adjudication.
- b. Initial working copy of the Contractor recommended drug formulary for County to photocopy, print, and distribute to providers.
- c. Quarterly Contractor updates.
- d. Custom formulary will incur additional charges as outlined in this Schedule B.

Retrospective Drug Utilization Evaluations (DUE)*: One (1) standard, scheduled per quarter included

Additional Retrospective DUEs: \$0.04 per member per month with a \$750.00 minimum charge; \$7,500.00 maximum charge

**MedImpact's scheduled standard DUEs on a quarterly basis; County will be charged time and materials for modifications.*

C. THE FOLLOWING INCUR ADDITIONAL CHARGES:

1. Paper submitted Claims \$1.00 per Claim
(Charged to the Participating Pharmacy)
2. Paid Claims Data
 - a. NCPDP \$75.00 per tape, CD, FTP
Modified/Contractor format
 - b. Non-standard format \$100.00 per tape, CD, FTP
3. Member direct reimbursement \$1.50 per Claim
4. MedAccess™ (member database access)

Five concurrent users, and associated access and modem lines for said users, included with Claims and profile access	
	\$250.00 per month for each additional concurrent user
Additional Claims Access....	\$75.00 per user per month
Additional Profile Access...	\$75.00 per user per month
Drug file access.....	\$1,000.00 per user per year

County is responsible for any additional telephone line charges, installation and set-up fees, equipment, including emulation software, and MedImpact's minimum system requirements that are above and beyond the associated access and modem lines for the five (5) included users.

Installation and set up fees: \$285.00 – one time charge per installation

5. MedManager™ 3 On-line Four (4) concurrent users included

- a. County will be responsible for all telecommunication and telephone charges and MedImpact's minimum system requirements, including operating system and hardware
- b. County shall be responsible for reasonable time and material charges for training.

6.	MedFocus®	Claims Per Month	Fee Per Processed Claim
	<i>Charges must meet a minimum of \$500.00 per check cycle for each plan to qualify for fee schedule. 30 Standard Physician Report Cards are included; time and materials for additional Physician Report Cards</i>	Less than 10,000	\$0.09
		10,000 – 19,999	\$0.06
		20,000 – 29,999	\$0.05

30,000 –	\$0.04
39,999	
40,000 –	\$0.03
49,999	
50,000 and above	\$0.02

or \$11,000 annually.

7. MedOverview® \$0.03 per processed Claim for each set of four (4) concurrent users.

8. MedPreferred™ \$30.00 per successful conversion or \$10.00 per notice for non-conversion based programs*

** A successful conversion occurs upon the Eligible Member's receipt of the initial prescription from the Participating Pharmacy.*

9. PatientChoice 25% of savings or \$40.00 per successful conversion* or \$10.00 per notice for non-conversion based programs*

** A successful conversion occurs upon the Eligible Member's receipt of the initial prescription from the Participating Pharmacy.*

10. Internet access to patient profile \$5,000.00
 Personal Health^{Rx} (one time charge)
 Physician Access
 a. Set Up Fee \$1,500.00 per month
 b. Maintenance Fee
 c. Registration Fee
 Physician Registrants
 <1,000 \$3.00 per physician
 1,000 – 3,000 \$2.50 per physician
 >3,000 \$2.00 per physician

11.	ID cards	<u>Price Per Card</u>
	Standard cards (plastic)	\$0.50
	Custom cards (plastic)	\$1.25
12.	Prior authorization administration	Included
	Operational	First 100 per month included; \$2.50 beyond the 100
	Therapeutic	Greater of \$25 per PA or \$45,000 annually
13.	Plan file data	
	<i>(Manual input and maintenance from hardcopy)</i>	
	Members	\$1.00 per record
	Groups/Divisions	\$10.00 per record
	Pharmacies	\$5.00 per record
14.	Physicians	\$5.00 per record
	Additional standard reports	\$100.00 per report
	Custom reports (to include):	
	Programming time	\$150.00 per hour
15.	Run time	\$100.00 per hour
	Changes in selection of standard reports	\$50.00 minimum charge
16.	Pharmacy Audits	
	Documentation and verification audits	35% recovery on a contingency fee basis
	On-site audits	35% recovery on a contingency fee basis
17.	Mailings	
	Inserted & mailed w/financial reports	\$1.00 per packet
	Additional cost of separate mailing	\$0.10 per insert
18.	Out-of-pocket expenses	Time and materials
	Mailing expenses / postage	

Air freight / overnight letters

- | | | |
|-----|---|---|
| 19. | Custom Formulary setup fees | Time and materials |
| 20. | HIPAA compliance consultative services | \$100.00 per Contractor response to County inquiry |
| 21. | Late eligibility fee | Time and materials to include any necessary overtime charges associated with data conversion and eligibility processing |
| 22. | Customized implementation fee | Time and materials to include any necessary overtime charges |
| 23. | Information technology programming time | \$150.00 per hour |
| 24. | Clinical Pipeline with Med Dividend ® & a Med Impact standard formulary | 1 year subscription:
No charge, bundled service |
| 25. | Clinical Pipeline – stand alone | 1 year subscription, stand alone:
Up to 4 users, \$1,200
5 to 8 users, \$1,800
8 to 12 users, \$2,400
More than 12 users, TBD |

D. Additional provisions

1. The Director of the Health Department is authorized to execute subsequent amendments and minor modifications not to exceed \$25,000 in aggregate and to make minor changes in the types of services and activities provided under the agreement.

2. Contractor shall bill all eligible third-party payors financially responsible for a beneficiary's health care services that Contractor provides through this Agreement. Contractor shall provide to County a written account of the amounts of all such third-party payments and/or denials of such third-party payments with each invoice. The County may withhold payment for any and all services for which this required proof of third-party payments and/or denials of such payments is not provided. County may deduct from its payments the amount of any such third-party payment. County accepts no financial responsibility for services provided to beneficiaries where there is a responsible third party payor, and to the extent that County inadvertently makes payments to Contractor for such services rendered, County shall be entitled to recoup such reimbursement.
3. **Beneficiary Billing**

Contractor shall not submit a claim to, demand or otherwise collect reimbursement from, the beneficiary or persons acting on behalf of the beneficiary for any specialty mental health or related administrative services provided under this contract except to collect other health insurance coverage, share of cost and co-payments. The Contractor shall not hold beneficiaries liable for debts in the event that the County becomes insolvent, for costs of covered services for which the State does not pay the County, for costs of covered services for which the State or the County does not pay the Contractor, for costs of covered services provided under this or other contracts, referral or other arrangement rather than from the County, or for payment of subsequent screening and treatment needed to diagnose the specific condition of or stabilize a beneficiary with an emergency psychiatric condition.
4. Budget modifications may be approved by the Director of the Health Department or her designee, subject to the maximum amount set forth in Paragraph 3 (Payments) and the Maximum Obligation as stated in this Exhibit B.
5. If County or Contractor finds that performance is inadequate, at the County's discretion, a meeting may be called to discuss the causes for the performance problem, and this Agreement may be renegotiated, allowed to continue to end of term, or terminated pursuant to Paragraph 4 of this Agreement. Any unspent monies due to performance failure may reduce the following year's agreement, if any.

6. In the event this Agreement is terminated prior to June 30, 2007, the Contractor shall be paid for services already provided pursuant to this Agreement.
7. In the event Contractor claims or receives payment from County for a service, reimbursement for which is later disallowed by County or the State of California or the United States Government, then Contractor shall promptly refund the disallowed amount to County upon request, or, at its option, County may offset the amount disallowed from any payment due or become due to Contractor under this Agreement or any other agreement.
8. Claims Certification and Program Integrity
 - a. Contractor shall comply with all state and federal statutory and regulatory requirements for certification of claims, including Title 42, Code of Federal Regulations (CFR) Part 438, Sections 438.604, 438.606, and, as effective August 13, 2003, Section 438.608, as published in the June 14, 2002 Federal Register (Vol. 67, No. 115, Page 41112), which are hereby incorporated by reference.
 - b. Anytime Contractor submits a claim to the County for reimbursement for services provided under Exhibit A of this Agreement, Contractor shall certify by signature that the claim is true and accurate by stating the claim is submitted under the penalty of perjury under the laws of the State of California.

The claim must include the following language and signature line at the bottom of the form(s) and/or cover letter used to report the claim.

"Under the penalty of perjury under the laws of the State of California, I hereby certify that this claim for services complies with all terms and conditions referenced in the Agreement with San Mateo County.

Executed at _____ California, on _____, 200__

Signed _____ Title _____

Agency _____"

- c. The certification shall attest to the following for each beneficiary with services included in the claim:
 - 1) The beneficiary was eligible to receive services described in Exhibit A of this Agreement at the time the services were provided to the beneficiary.
 - 2) The services included in the claim were actually provided to the beneficiary.
 - 3) Services are offered and provided without discrimination based on race, religion, color, national or ethnic origin, sex, age, or physical or mental disability.
- d. Except as provided in *Paragraph II.B. of Exhibit A* relative to medical records, Contractor agrees to keep for a minimum period of three years from the date of service a printed representation of all records which are necessary to disclose fully the extent of services furnished to the client. Contractor agrees to furnish these records and any information regarding payments claimed for providing the services, on request, within the State of California, to the California Department of Health Services; the Medi-Cal Fraud Unit; California Department of Mental Health; California Department of Justice; Office of the State Controller; U.S. Department of Health and Human Services, Managed Risk Medical Insurance Board or their duly authorized representatives, and/or the County.

EXHIBIT C
Performance Guarantees and Penalties
MEDIMPACT HEALTHCARE SYSTEMS, INC.
FY 2005-2007

The total fees at risk of penalty on an annual basis are fifty percent (50%) of the annual administrative fees. Contractor's obligations are subject to force majeure clause.

Performance	Standard	Guarantee	Frequency
Claims Processing (On-Line)			
Turnaround time for claims processing. (Schedule A, Section IB)	98% response within 4 seconds	\$100 per incidence greater than 4 seconds, up to an annual maximum penalty of \$5,000. Reports will be produced from internal tracking records.	Measured Monthly, Reported Quarterly, Annual reconciliation.
Claims adjudication accuracy. (Schedule A, Section IC)	99% of all claims paid with NO errors	\$1,500 per month if error rate exceeds threshold, up to an annual maximum penalty of \$5,000. A percentage of claims (to be mutually determined by the County and Contractor) will be audited, with error percentage extrapolated to represent total claims volume.	Measured Monthly, Reported Quarterly, Annual reconciliation

Performance	Standard	Guarantee	Frequency
Claims Processing (On-Line) - continued			
System downtime. (Schedule A, Section IA)	99% system availability (excluding scheduled downtime for maintenance)	\$100 per percentage point variance, up to an annual maximum penalty of \$1,000. Guarantee to be measured, reported, and reconciled annually. Reports will be produced based on system access data provided by NDC.	Annual reports, Annual reconciliation

Paper Claims Processing			
Turnaround time for manual claims. (Schedule A, Section ID)	100% of submitted claims	\$100 per day for each day beyond limit per incidence up to an annual maximum penalty of \$1,000. Reports will be produced from internal tracking records.	Measured Monthly, Reported Quarterly, Annual reconciliation
Claims adjudication accuracy. (Schedule A, Section ID)	99% of all claims paid with no errors	\$1,500 per month if error rate exceeds threshold, maximum annual penalty of \$4,500. A percentage of claims (to be mutually determined by the County and Contractor) will be audited, with error percentage extrapolated to represent total claims volume.	Measured Monthly, Reported Quarterly, Annual reconciliation

Performance	Standard	Guarantee	Frequency
Eligibility Management			
Member Eligibility (Schedule A, Section IIIA)	Accurately loaded within 24 hours of receipt of accurate and complete data from County.	\$500 per day late, up to an annual maximum of \$5,000.	Measured Monthly, Reported Quarterly, Annual reconciliation
	Rectify all loading errors within 24 hours of notification.	\$500 per day late, up to an annual maximum of \$5,000.	Measured Monthly, Reported Quarterly, Annual reconciliation
Physician Eligibility (Schedule A, Section IVB)	Physician data will be loaded within 2 business days of receipt during normal business hours of accurate and complete data from County.	\$100 per day late, up to an annual maximum penalty of \$4,500.	Measured Monthly, Reported Quarterly, Annual reconciliation.
	Errors corrected within 24 hours of notification.	\$100 per day late, up to an annual maximum penalty of \$4,500.	Measured Monthly, Reported Quarterly, Annual reconciliation

Performance	Standard	Guarantee	Frequency
Prior Authorization Requests (Schedule A, Section VB)			
Do not require clinical intervention	95% of PARs entered and notifications faxed to physician and pharmacies within 1 business day of receipt, 100% within 2 business days of receipt.	\$100 per day late, up to an annual maximum penalty of \$5,000	Measured Monthly, Reported Quarterly, Annual reconciliation
Require clinical intervention	95% of PARs entered and notifications faxed to physician and pharmacies within 1 business day of resolution, 100% within 2 business days of resolution.	\$100 per day late, up to an annual maximum penalty of \$5,000	Measured Monthly, Reported Quarterly, Annual reconciliation
Accuracy	99% of all PARs	\$100 per error in excess of 1%, up to an annual maximum penalty of \$5,000	Measured Monthly, Reported Quarterly, Annual reconciliation

Benefit Management			
Benefit Change Requests (Schedule A, Section VID)	7 business day turnaround time, or a mutually agreed upon date between County and Contractor	\$100 per day late, up to an annual maximum penalty of \$5,000.	Annual reconciliation
Reporting			
MedAccess (Schedule A, Section VIIA)	Available during normal business hours	\$100 for every hour beyond the first hour that access is not provided, up to an annual maximum penalty of \$5,000.	Annual reconciliation

Performance	Standard	Guarantee	Frequency
Reporting - continued			
Timeliness of production for standard reports, MedManager CD updates, and MedFocus. (Schedule A, Section VIIH)	Reports and CD updates will be delivered by the twentieth (20) of the month at the end of the reporting period.	\$100 per day per report or CD, up to an annual maximum penalty of \$1,000. Reports will be produced from UPS tracking records.	Measured Monthly Reported Quarterly, Annual reconciliation

Customer Service (Schedule A, Section IXB)			
Call Response Time	Average speed of answer (ASA) within 60 seconds	\$400 per month if response time is not met, up to an annual maximum penalty of \$5,000.	Measured Monthly Reported Quarterly, Annual reconciliation
Abandonment rate	Call abandonment rate will average 5 percent or less	\$500 per month if response time is not met, up to an annual maximum penalty of \$5,000.	Measured Monthly, Reported Quarterly, Annual reconciliation
Accuracy of information	99% accuracy of phone calls contained accurate information disseminated	\$100 per incidence, up to an annual maximum penalty of \$5,000.	Measured Monthly, Reported Quarterly, Annual reconciliation

Account Management (Schedule A, Section XA)			
Timely response and resolution of issues	100% calls returned within 24 hours of notification;	\$500 per incidence, up to an annual maximum penalty of \$5,000.	Annual reconciliation
	Action plan developed within 5 business days of notification;		Annual reconciliation
	Resolution of problem within 30 days, unless mutually agreed upon with County		Annual reconciliation

Attachment H
Health Insurance Portability and Accountability Act (HIPAA)
Business Associate Requirements

Definitions

Terms used, but not otherwise defined, in this Schedule shall have the same meaning as those terms are defined in 45 Code of Federal Regulations section 160.103 164.304 and 164.501. (All regulatory references in this Schedule are to Title 45 of the Code of Federal Regulations unless otherwise specified.)

- a. *Designated Record Set.* "Designated Record Set" shall have the same meaning as the term "designated record set" in Section 164.501.
- b. *Electronic Protected Health Information.* "Electronic Protected Health Information" ("EPHI") means individually identifiable health information that is transmitted or maintained in electronic media, limited to the information created, received, maintained or transmitted by Business Associate from or on behalf of Covered Entity.
- c. *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).
- d. *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.
- e. *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 Contractor from or on behalf of County.
- f. *Required By Law.* "Required by law" shall have the same meaning as the term "required by law" in Section 164.501.
- g. *Secretary.* "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his or her designee.
- h. *Security Incident.* "Security Incident" shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system, but does not include minor incidents that occur on a daily basis, such as scans, "pings", or unsuccessful random attempts to penetrate computer networks or servers maintained by Business Associate
- i. *Security Rule.* "Security Rule" shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 160 and Part 164, Subparts A and C.

Obligations and Activities of Contractor

- a. Contractor 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. Contractor 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. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of Protected Health Information by Contractor in violation of the requirements of this Agreement.
- d. Contractor agrees to report to County any use or disclosure of the Protected Health Information not provided for by this Agreement and of which Contractor has become aware.
- e. Contractor agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Contractor on behalf of County, agrees to the same restrictions and conditions that apply through this Agreement to Contractor with respect to such information.
- f. If Contractor has protected health information in a designated record set, Contractor agrees to provide access, at the request of County, and in a reasonable time and manner, to Protected Health Information in a Designated Record Set, to County or, as directed by County, to County so that County can reply back to an Individual, in order to meet the requirements under Section 164.524.
- g. If Contractor has protected health information in a designated record set, Contractor agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the County directs or agrees to make pursuant to Section 164.526 at the request of County, and in a reasonable time and manner.
- h. Contractor 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 Contractor on behalf of, County available to the County, or at the request of the County to the Secretary, in a mutually agreeable time and manner, for purposes of the County and/or Secretary determining County's compliance with the Privacy Rule.
- i. Contractor agrees to document such disclosures of Protected Health Information and information related to such disclosures, as would be required for County, so that County may respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.
- j. Contractor agrees to provide to County in a reasonable time and manner, information collected in accordance with Section (i) of this Schedule, to permit County to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.

- k. Contractor shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Contractor creates, receives, maintains, or transmits on behalf of County.
- l. Contractor shall conform to generally accepted system security principles and the requirements of the final HIPAA rule pertaining to the security of health information.
- m. Contractor shall ensure that any agent to whom it provides EPHI, including a subcontractor, agrees to implement reasonable and appropriate safeguards to protect such EPHI.
- n. Contractor shall report to County any Security Incident within 5 business days of becoming aware of such incident.

Permitted Uses and Disclosures by Contractor

Except as otherwise limited in this Schedule, Contractor may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, County as specified in the Agreement; provided that such use or disclosure would not violate the Privacy Rule if done by County.

Obligations of County

- a. County shall provide Contractor with the notice of privacy practices that County produces in accordance with Section 164.520, as well as any changes to such notice.
- b. County shall provide Contractor with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Contractor's permitted or required uses and disclosures.
- c. County shall notify Contractor of any restriction to the use or disclosure of Protected Health Information that County has agreed to in accordance with Section 164.522.

Permissible Requests by County

County shall not request Contractor to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by County, unless the Contractor will use or disclose Protected Health Information for, and if the Agreement provides for, data aggregation or management and administrative activities of Contractor.

Duties Upon Termination of Agreement

- a. Upon termination of the Agreement, for any reason, Contractor shall return or destroy all Protected Health Information received from County, or created or received by Contractor on behalf of County. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the Protected Health Information.
- b. In the event that Contractor determines that returning or destroying Protected Health Information is infeasible, Contractor shall provide to County 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, Contractor shall extend the protections of the 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 Contractor maintains such Protected Health Information.

Miscellaneous

- a. *Regulatory References.* A reference in this Schedule 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 Schedule from time to time as is necessary for County 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 Contractor under this Schedule shall survive the termination of the Agreement.
- d. *Interpretation.* Any ambiguity in this Schedule shall be resolved in favor of a meaning that permits County to comply with the Privacy Rule.
- e. *Reservation of Right to Monitor Activities.* County reserves the right to monitor the security policies and procedures of Contractor.

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: MedImpact Healthcare Systems, Inc.
Contact Person: Rod Wade
Address: 10680 Treena Street, Fifth Floor
San Diego, CA 92131
Phone Number: 858-790-6561
Fax Number: 858-621-5147

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)

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

IV Declaration

I 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.

Elinor LaBarge Colby
Signature

Elinor LaBarge Colby
Name (Please Print)

VP, Human Resources
Title

8/23/05
Date

COUNTY OF SAN MATEO
HEALTH DEPARTMENT ADMINISTRATION

MEMORANDUM

DATE: June 6, 2005

TO: Steve Rossi, Risk Management/Insurance Division
FROM: John Klyver, Mental Health Services/PONY #MLH 322

CONTRACTOR: MedImpact Healthcare Systems, Inc.

DO THEY TRAVEL: Yes

PERCENT OF TRAVEL TIME:

NUMBER OF EMPLOYEES: Yes

DUTIES (SPECIFIC): See attached

COVERAGE:

Comprehensive General Liability:	\$ 1,000,000
Motor Vehicle Liability:	\$ 1,000,000
Professional Liability:	\$ 1,000,000
Worker's Compensation:	\$ Statutory

APPROVE ✓ WAIVE _____ MODIFY _____

REMARKS/COMMENTS:


SIGNATURE

Steve M. Rossi
Risk Manager 6/7/05

PRODUCER		Serial # 100345	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
JAYCE MCCLELLAN MCCLELLAN INSURANCE AGENCY P.O. BOX 99 CARLSBAD, CA 92018		INSURERS AFFORDING COVERAGE		NAIC#
INSURED		INSURER A: HARTFORD INSURANCE CO. OF THE		
MEDIMPACT HEALTHCARE SYSTEMS ATTN: GAIL DAVIS 10680 TREENA STREET, 5TH FLOOR SAN DIEGO, CA 92131		INSURER B: HARTFORD CASUALTY INSURANCE		
		INSURER C: ILLINOIS UNION INSURANCE COMPANY		
		INSURER D:		
		INSURER E:		

COVERAGES

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

INSR I TR	ADD'L INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	72UUNUS3775	4/15/05	4/15/06	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	72UUNUS3775 72UUNUS3775	4/15/05 4/15/05	4/15/06 4/15/06	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
B		EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000	72XHUUS3374	4/15/05	4/15/06	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$ \$ \$
		WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> EL EACH ACCIDENT \$ EL DISEASE - EA EMPLOYEE \$ EL DISEASE - POLICY LIMIT \$
C		OTHER PROFESSIONAL LIABILITY	BMI20021451	4/07/05	4/07/06	\$5,000,000

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

CERTIFICATE HOLDER IS NAMED ADDITIONAL INSURED

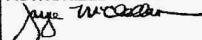
CERTIFICATE HOLDER

SAN MATEO COUNTY HEALTH SERVICES
MENTAL HEALTH SERVICES
225 37TH AVENUE, 3RD FLOOR
SAN MATEO, CA 94403

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL SEND BY MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL NOT CONSTITUTE A WAIVER OF THE INSURER'S OBLIGATION TO DEFEND AND PAY ANY CLAIMS THAT MAY BE ASSERTED AGAINST THE INSURED.

AUTHORIZED REPRESENTATIVE



POLICY NUMBER: 72UUNUS3775
MedImpact Healthcare Systems, Inc.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

San Mateo County Health Services

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule as an insured but only with respect to liability arising out of your operations or premises owned by or rented to you.



CERTIFICATE OF INSURANCE

MED64219

ISSUE DATE (MM/DD/YY)
No 103203 08/04/05**PRODUCER**

Barney & Barney, LLC-CA Lic0C03950
Barney & Barney, Inc-CA Lic0C24310
P.O. Box 85638
San Diego, CA 92186-5638
(858) 457-3414
Mst#: 6084

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

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	EVEREST NATIONAL INSURANCE CO.
COMPANY LETTER B	NO COVERAGE ON THIS DOCUMENT
COMPANY LETTER C	NO COVERAGE ON THIS DOCUMENT
COMPANY LETTER D	NO COVERAGE ON THIS DOCUMENT
COMPANY LETTER E	NO COVERAGE ON THIS DOCUMENT

INSURED MED IMPACT HEALTHCARE
SYSTEMS, INC.

ATTN: GAIL DAVIS
10680 TREENA STREET, 5TH FLR.
SAN DIEGO CA 92131

COVERAGES

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CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR. <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT.	NO COVERAGE			GENERAL AGGREGATE \$ *****0 PRODUCTS-COMP/OP AGG. \$ *****0 PERSONAL & ADV. INJURY \$ *****0 EACH OCCURRENCE \$ *****0 FIRE DAMAGE (Any one fire) \$ *****0 MED. EXPENSE (Any one person) \$ *****0
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> GARAGE LIABILITY	NO COVERAGE			COMBINED SINGLE LIMIT \$ *****0 BODILY INJURY (Per person) \$ *****0 BODILY INJURY (Per accident) \$ *****0 PROPERTY DAMAGE \$ *****0
	EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	NO COVERAGE			EACH OCCURRENCE \$ *****0 AGGREGATE \$ *****0
A	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY	CA10000138051	08/01/05	08/01/06	X STATUTORY LIMITS EACH ACCIDENT \$ *1,000,000 DISEASE - POLICY LIMIT \$ *1,000,000 DISEASE - EACH EMPLOYEE \$ *1,000,000
A	OTHER WORKERS' COMPENSATION-STATES ON FILE WITH CARRIER	CA10000138051	08/01/05	08/01/06	STATUTORY LIMITS (STOP GAP)

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / SPECIAL ITEMS

CERTIFICATE HOLDER

SAN MATEO COUNTY HEALTH SERVICES
MENTAL HEALTH SERVICES
225 37TH AVENUE, 3RD FLOOR
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 LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



CERTIFICATE OF INSURANCE

MED64219

No 119728 08/04/05

ISSUE DATE (MM/DD/YY)

PRODUCER

Barney & Barney, LLC-CA Lic0C03950
Barney & Barney, Inc-CA Lic0C24310
P.O. Box 85638
San Diego, CA 92186-5638
(858) 457-3414
Mst#: 6084

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COMPANY LETTER B	NO COVERAGE ON THIS DOCUMENT
COMPANY LETTER C	NO COVERAGE ON THIS DOCUMENT
COMPANY LETTER D	NO COVERAGE ON THIS DOCUMENT
COMPANY LETTER E	NO COVERAGE ON THIS DOCUMENT

INSURED MED IMPACT HEALTHCARE
SYSTEMS, INC.

ATTN: GAIL DAVIS
10680 TREENA STREET, 5TH FLR.
SAN DIEGO CA 92131

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	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> GARAGE LIABILITY	NO COVERAGE			COMBINED SINGLE LIMIT \$ *****0 BODILY INJURY (Per person) \$ *****0 BODILY INJURY (Per accident) \$ *****0 PROPERTY DAMAGE \$ *****0
	EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	NO COVERAGE			EACH OCCURRENCE \$ *****0 AGGREGATE \$ *****0
A	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY	CA10000138051	08/01/05	08/01/06	<input checked="" type="checkbox"/> STATUTORY LIMITS EACH ACCIDENT \$ *1,000,000 DISEASE - POLICY LIMIT \$ *1,000,000 DISEASE - EACH EMPLOYEE \$ *1,000,000
A	OTHER WORKERS' COMPENSATION-STATES ON FILE WITH CARRIER	CA10000138051	08/01/05	08/01/06	STATUTORY LIMITS (STOP GAP)

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / SPECIAL ITEMS

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AUTHORIZED REPRESENTATIVE

Donna M. Perricone