

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND
Data Systems Group**

THIS AGREEMENT, entered into this 21st day of June
2005, by and between the COUNTY OF SAN MATEO, hereinafter called "County,"
and Data Systems Group, 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 consulting services for software upgrade and maintenance;

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

1. Schedules and Attachments

The following schedules and attachments are included hereto and incorporated by reference herein:

Schedule A—Services

Schedule B—Payments and rates

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 Schedule "B," Contractor shall perform services for County in accordance with the terms, conditions, and specifications set forth herein and in Schedule "A."

3. Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Schedule "A," County shall make payment to Contractor based on the rates and in the manner specified in Schedule "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 TWO HUNDRED FOUR THOUSAND THREE HUNDRED FIFTY ONE DOLLARS AND TWENTY EIGHT CENTS (\$204,351.28).

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 Chief Information Officer/Director of Information Systems of the County of San Mateo, 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. Hold Harmless

Contractor shall indemnify and hold 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 hold 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 Contractor's 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 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. Where applicable, 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, Right to Monitor and Audit

(a) 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.

(b) Reporting and Record Keeping: Contractor shall comply with all program and fiscal reporting requirements set forth by appropriate Federal, State, and local agencies, and as required by the County.

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

13. Merger Clause

This Agreement, including Schedules "A" and "B" 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.

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

Data Systems Group



Contractor's Signature

Date: 6/3/05

Long Form Agreement/Business Associate v 6/24/04

SCHEDULE A

In consideration of the payments specified in Schedule B, Contractor and County agree to the following:

1. Contractor shall provide for software maintenance, software upgrade, and phone support to conform to the warranty provided in paragraph 5, including but not limited to:
 - a. System Documentation and User Manuals
 - b. Medi-Cal Programs in compliance with Medi-Cal specification as approved by the State Department of Health Services
 - 1) Inpatient edits, input/modification screens and CMC / 837 file creation programs
 - 2) Outpatient edits, input/modification screens and CMC / 837 file creation programs
 - 3) Claims Inquiry Module
 - 4) Long Term Care Billing
 - 5) Remittance advice update from Electronic Data Systems (EDS) and Health Plan of San Mateo (HPSM) – programs to update claims file with payment, adjustment, denial and suspension date including Medi-Cal RA print program
 - c. United Government Services (UGS)
 - 1) Medicare inpatient and outpatient claims: Download, edits and submission files
 - 2) Remittance Advice updates from UGS
 - d. National Heritage Insurance Company (NHIC)
 - 1) Medicare Physicians claims: Download, edits and submission files.
 - 2) Remittance Advice updates from NHIC. Programs to update claims file with payment, adjustment, denial and suspension date and/or amount.
 - e. Commercial Insurance – Web MD
 - 1) Insurance inpatient and outpatient claims: Download, edits and submission files to WEB MD
 - f. Transfer of claims submission information to update account file.
 - g. Software upgrades as necessary to conform to file formats and mandated claims processing requirements of both the FI and state and federal requirements.
2. Contractor grants a perpetual license to the claims processing software listed in this agreement to County for use by the County for the term of the license agreement.
3. Contractor, as deemed necessary by the County, will provide training and instructions on the operation of the system, system equipment, claims editing process and methods of releasing claims to submission.
4. County is fully responsible to ensure that the Software covered by this agreement shall not be tampered with, resold, traded, copied or otherwise made available to any organization or individuals not licensed by this Agreement. County agrees to secure and protect the software and to take such action to satisfy this obligation with its employees, agents or designees.
5. Contractor warrants that the software will provide outputs which conform to the requirements of the State of California Medi-Cal program as processed by EDS or their successors and the HPSM, as well as those of Medicare Part A and B as processed by fiscal intermediaries, United Government Services (UGS) and National Heritage Insurance Company (NHIC) using current send specifications for each individual module.

Any modifications provided to extract from County's billing system will be warranted to function correctly as part of the combined system and will include all data elements on the claim form provided from the Hospital Financial System and any missing data elements will be included as data entry elements within the biller correction screens.

Under terms of the warranty and License Agreement, Contractor provides warranty and update services for on-going enhancements of the system and additional requirements mandated by the State of California, the Health Plan of San

SCHEDULE A CONTINUED

Mateo County, United Government Services which improve the functionality of the system and enhance the ability of the billers to operate efficiently as addition to the system in its current form.

If County requests warranty service which results in the determination that the County Software was not deficient or at fault, the County agrees to pay all Contractor expenses and labor at the then current rate of Contractor.

6. Program maintenance, including updates and phone support, is included in the monthly license fee.
7. It is understood that the Software may require modification. Contractor will confer with County regarding such modification necessary to interface with the existing billing system and as considered by the County necessary for optimal use of the software. Such modifications shall be made by Contractor, at the rates specified in Schedule B, Specialized Programming and Training, and within the timeframe specified by County, and approved by county. License agreements continue to exist and such modifications are incorporated as part of the License.
8. County is responsible for providing Contractor with a copy of the Medi-Cal claims "spooler" file or output tape formatted (or diskette) for tape submission of claims to EDS, the HPSM, UGS, NHIC, Web MD.
9. Upgrades in procedure codes released by the fiscal intermediary for Medi-Cal or Medicare will be made available to County by Contractor as included in the monthly license support agreement.
10. County's rights and obligation under this License may not in any event be assigned, sub-licensed or otherwise transferred without the express written consent of Contractor. This license cannot be modified, except by a document in writing signed by an officer of Contractor and the County
11. HIPAA, DSG Software Updates, Program Maintenance and Support
Current and proposed HIPAA regulations regarding Electronic Data Interchange (EDI) are expected to require software and system modifications in order to be in compliance. DSG's formats, edits and submissions will conform to HIPAA standards and ANSI ASC X12N standards for the approved information sets. Such software and system modifications will be included in the software updates, program maintenance and support. Current and proposed HIPAA regulations regarding health information security and patient privacy are expected to require software and system modifications in order to be in compliance. Such software and system modifications will be included in the software updates, program maintenance and support.

SCHEDULE B

In consideration of the services, software and training specified in Schedule A, County agrees to pay the following:

Monthly license and support fees

Software Modules	Basic Support	Monthly Software License Fee
Claims / RA Database Management System		\$ 20.00
Medi-Cal UB92 - Inpatient/Outpatient - Includes EDS and Health Plan of San Mateo (HPSM) and Automatic Crossovers	\$ 1,725.00	\$ 575.00
Medi-Cal 1500 - EDS and HPSM	\$ 450.00	\$ 150.00
Medicare - UB92 - UGS	\$ 375.00	\$ 125.00
Medicare - 1500 - NHIC	\$ 225.00	\$ 75.00
Commercial Insurance UB92 & 1500 - Web MD (2)		\$ 600.00
ERA - Medicare Part A - UGS	\$ 188.00	\$ 62.00
ERA - Medicare Part B - NHIC	\$ 180.00	\$ 60.00
ERA - Medi-Cal - EDS	\$ 175.00	\$ 75.00
ERA - HPSM	\$ -	\$ 450.00
Eligibility Engine - Medi-Cal - CERTS		\$ 400.00
Medi-Cal LTC - EDS		\$ 300.00
Medi-Cal CHDP / FQHC Billing - EDS		\$ 350.00
System Software Subtotal	\$ 3,318.00	\$ 3,242.00
Tax on Monthly License Fees 8.25%		\$ 267.47
Monthly Software Total		\$ 6,827.47

② The Monthly Software License Fees for electronically billed commercial claims will be calculated on a calendar month basis for claims billed electronically through the Web MD / Envoy clearinghouse by the DSG System. Excess monthly claims volumes will be billed per the following table:

Monthly Fees for Electronic Commercial Claims Volume

Monthly Commercial Claims Volume	Monthly Software License Fee
1 to 1000 Claims	Included in fee above
Over 1000 Claims	billed per claim \$0.30

Schedule B Continued

Other Maintenance, Support Fees, and Hardware

SPECIALIZED PROGRAMMING AND TRAINING		TOTAL
Modifications and Training	40 hrs @ \$140/hr	\$ 5,600.00
Edit Changes, Additions, Modifications specific To SMMC	150hrs @ \$140/hr	\$ 21,000.00
Programming and Training Total		\$ 26,600.00

Denial Manager Installation and Support Fees

Software Modules	Implementation	Monthly Software License Fee
Denial Manager	\$ 3,000.00	\$ 400.00
Tax on Monthly License Fees 8.25%		\$ 33.00
Monthly Software Total		\$ 433.00

Contract Pricing Summary

CONTRACT SUMMARY		Total
Monthly Software and Support Fees	24 months @\$6827.47	\$ 163,859.28
Denial Manager Implementation		\$ 3,000.00
Denial Manager License Fees	24 months @ \$433	\$ 10,392.00
Specialized Programming and Training		\$ 26,600.00
Travel and Implementation Expenses for Denial Manager. Not to exceed \$500		\$ 500.00
24 Month Contract Total		\$ 204,351.28

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.
- 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 the time and manner designated by County, to Protected Health Information in a Designated Record Set, to County or, as directed by County, 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 or an Individual, and in the time and manner designed by County.
- 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 time and manner designated by the County or the Secretary, for purposes of the 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 to 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 or an Individual in the time and manner designated by County, 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.
- o. Contractor shall make its policies, procedures, and documentation relating to the security and privacy of protected health information, including EPHI, available to the Secretary of the U.S. Department of Health and Human Services and, at County's request, to the County for purposes of the Secretary determining County's compliance with the HIPAA privacy and security regulations.

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

ATTACHMENT

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 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.

Nancy Riley
Name of 504 Person - Type or Print

The Data Systems Group
Name of Contractor(s) - Type or Print

2322 Capitol Avenue
Street Address or P.O. Box

Sacramento, CA 95816
City, State, Zip Code

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

John R. Baird
Signature

President
Title of Authorized Official

5/23/05
Date

*Exception: DHHS regulations state that:

"If a recipient with fewer than 15 employees finds that, after consultation with a disabled 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."

**SAN MATEO COUNTY
MEMORANDUM**

DATE: May 25, 2005

TO: Steve Rossi FAX: 363-4864 PONY: EPS 163

FROM: Cyndy Chin FAX: 650-627-9160 PONY: ISD318

SUBJECT: Contract Insurance Approval

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

CONTRACTOR NAME Data Systems Group (DSG)

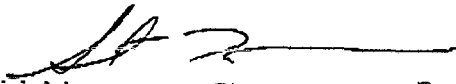
DOES THE CONTRACTOR TRAVEL AS A PART OF THE CONTRACT SERVICES? NO

NUMBER OF EMPLOYEES WORKING FOR CONTRACTOR: 9

DUTIES TO BE PERFORMED BY CONTRACTOR FOR COUNTY Consulting services for hardware and software upgrades

The following will be completed by Risk Management:

INSURANCE COVERAGE	Amount	Approve	Waive	Modify
Comprehensive General Liability	1 million	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Motor Vehicle Liability	1 million	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional Liability E+G	1 million	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Workers' Compensation	Standard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
REMARKS/COMMENTS:				


 Risk Management Signature Date
 Steve Rossi
 Risk Manager

5/27/05

ACORD CERTIFICATE OF LIABILITY INSURANCE

PRODUCER ISU Ins Services-Atwood Agency 900 Pacific St. Placerville, CA 95667 530-626-2533	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.
	INSURERS AFFORDING COVERAGE
INSURED Data Systems Group of Calif., Inc. Jack Baird 2322 Capital Avenue Sacramento, CA 95816	INSURER A: <u>Zurich</u> INSURER B: <u>Everest National Insurance Co.</u> INSURER C: <u>Philadelphia Insurance Companies</u> 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 POLICIES 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 LTR	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	PPS 38333911	6/4/05	6/4/06	EACH OCCURRENCE \$1,000,000
	FIRE DAMAGE (Any one fire) \$1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ Excluded 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 checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	PPS 38333911	6/4/05	6/4/06	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 EA ACC \$ AUTO ONLY: AGG \$
	EXCESS LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS LIABILITY	3900035247041	08/01/04	08/01/05	<input type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER
	E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000				
C	OTHER E & O	PHSD067991	11/03/04	11/03/05	\$1,000,000

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

♦ Except 10 day notice of cancellation for nonpayment of premium

CERTIFICATE HOLDER San Mateo County Health Agencies 222 39th Avenue San Mateo, CA 94403 Attn: Cindy 650/627-9160	ADDITIONAL INSURED; INSURER LETTER:	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL * 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE <i>George Hickman</i>
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COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: The Data Systems Group
Contact Person: Scott Owens
Address: 2322 Capitol Avenue
Sacramento, CA 95816
Phone Number: 916-443-4944
Fax Number: 916-443-8254

II Employees

Does the Contractor have any employees? [] Yes [X] No
Does the Contractor provide benefits to spouses of employees? [X] 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)

- [X] 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.

Signature: John R. Baird
Title: President

Name (Please Print): John R. Baird
Date: 5/23/05

County of San Mateo

Health Insurance Portability and Accountability Act (HIPAA)

Business Associate (BA) Agreement Determination Check List

Agency: DSG

1. (a) Will the County disclose individually identifiable health information concerning County clients to the Contractor?

[checked] Yes (If Yes, go to question 2) [] No (If No, go to 1 (b))

(b) Will the Contractor use individually identifiable health information concerning County clients in the process of providing services for the County?

[checked] Yes (If Yes, go to question 2) [] No (If both 1 (a) and 1 (b) are No, Contractor is not a BA)

2. Will the Contractor use the identifiable health information ONLY to provide direct physical/mental health care or treatment to clients of the County?

[] Yes (Business Associate agreement not required) [checked] No (If No, CONTRACTOR IS A BUSINESS ASSOCIATE)

3. Please specify services provided by Contractor.

Electronic Claims processing -

Division Director Approval: [Signature] Date: 5-17-05

If Contractor meets criteria for Business Associate, Business Associate agreement is required. Further questions regarding the need for a Business Associate agreement should be directed to the HIPAA Privacy Officer and/or County Counsel.