

PLAN PROVIDER AGREEMENT

THIS PLAN PROVIDER AGREEMENT (the "Agreement") is made and entered into as of this first (1st) day of June, 2004, by and between **COUNTY OF SAN MATEO, SAN MATEO MEDICAL CENTER**, ("PLAN"), a public entity and **APRIA HEALTHCARE, INC.**, a Delaware corporation, and **APRIA NUMBER TWO, INC.**, a Delaware Corporation, (collectively known as "**APRIA HEALTHCARE**"),

RECITALS

WHEREAS, APRIA HEALTHCARE is duly licensed to provide various items of home healthcare products and related services ("Equipment") and desires to enter into an agreement with PLAN to arrange for the provision of certain Covered Services to Plan Members.

WHEREAS, PLAN desires to enter into an agreement with APRIA HEALTHCARE to arrange for the provision of certain healthcare services to Plan Members under the PLAN's Medi-Cal HMO Health Benefit Plan.

NOW, THEREFORE, the parties hereby agree as follows:

1. Definitions.

- 1.1 "Claim" shall mean a statement submitted to PLAN by APRIA HEALTHCARE for the provision of Equipment to a Plan Member.
- 1.2 "Coordination of Benefits" shall mean the determination of whether Equipment provided to a Plan Member will be paid for, either in whole or in part, under any other private or government health benefit plan or any other legal or contractual entitlement, including but not limited to, a private group indemnification or insurance program.
- 1.3 "Copayment" shall mean those amounts, including deductible and coinsurance amounts, as set forth in the Plan Member's Health Benefit Plan, to be collected directly by a provider from Plan Members.
- 1.4 "Covered Services" shall mean those Medically Necessary healthcare services which a Plan Member is entitled to receive from PLAN or a provider pursuant to the terms of the Health Benefit Plan.
- 1.5 "Emergency" shall mean the sudden and unexpected onset of a symptom, illness, or injury, which, in the judgment of a physician, requires immediate diagnosis and/or treatment in order to alleviate or attempt to prevent severe pain, permanent disability, serious medical complications or loss of life.
- 1.6 "Health Benefit Plan" shall mean the PLAN's applicable healthcare plan that defines the healthcare services which a Plan Member is eligible to receive and the conditions and

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circumstances under which PLAN is obligated to pay for such services on behalf of the Plan Member.

- 1.7 "Medically Necessary" or "Medical Necessity" shall mean Covered Services which are (i) appropriate and necessary for the symptoms, diagnosis or treatment of a medical condition, illness, or injury and not experimental and/or investigative; (ii) provided for the diagnosis or the direct care and treatment of the medical condition, illness, or injury in accordance with Medicare coverage criteria; or, in the absence of such criteria, in accordance with standards of good medical practice within the organized medical community; (iii) not primarily for the convenience of the Plan Member, the Plan Member's physician or another; and (iv) the most appropriate supply or level of service which can safely be provided.
- 1.8 "Non-Covered Services" shall mean those healthcare services which Plan Members are not entitled to receive from PLAN or a provider pursuant to the terms of the Health Benefit Plan.
- 1.9 "Plan Member" shall mean an individual eligible to receive Covered Services under PLAN's applicable Health Benefit Plan.
- 1.10 "Service Area" shall mean the area in which APRIA HEALTHCARE will provide Equipment, as described in Exhibit A.

2. Obligations of APRIA HEALTHCARE.

- 2.1 Provision of Equipment: APRIA HEALTHCARE shall provide Equipment for Plan Members as ordered by a physician and authorized by PLAN in accordance with the terms and conditions of this Agreement. Payment for such services shall be made in accordance with Section 3. APRIA HEALTHCARE shall have the right to decline to provide any Equipment requested by PLAN under this Agreement. APRIA HEALTHCARE shall only be required to provide Equipment to those Plan Members in the Service Area.
- 2.2 Service Specifications: APRIA HEALTHCARE shall provide all Equipment in accordance with the Apria Essential Care Model, as may be amended from time to time, which identifies the service specifications for the provision of Equipment.
- 2.3 Facilities, Equipment and Personnel: APRIA HEALTHCARE shall provide and maintain sufficient facilities, equipment, personnel, and administrative services within the Service Area in order to perform the duties and responsibilities set forth in this Agreement.
- 2.4 Accessibility and Hours of Service: APRIA HEALTHCARE shall provide or arrange for the provision of Equipment to Plan Members on a readily available and accessible basis, including, but not limited to, during normal business hours. Emergency Equipment shall be available and accessible within the Service Area on a twenty-four (24) hour, seven (7) day a week basis.
- 2.5 Plan Member Medical Record: APRIA HEALTHCARE shall ensure that a medical record shall be established and maintained for each Plan Member. Each Plan Member's medical record shall be opened when Equipment is first provided to the Plan Member. The record shall include, at a minimum, all information about APRIA HEALTHCARE's provision of Equipment to the Plan Member as dictated by generally accepted medical practices and standards. Upon reasonable

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request by PLAN, APRIA HEALTHCARE shall share with PLAN all information concerning the Plan Member's medical records, subject to compliance by APRIA HEALTHCARE and PLAN with applicable federal and state laws and professional standards regarding the confidentiality of medical records.

2.6 Coordination of Benefits: APRIA HEALTHCARE and PLAN shall agree to the following criteria for determining the payor source upon completing the Coordination of Benefits process between both parties:

- a. If no other payor and/or third party payor source has been identified in the Coordination of Benefits process between PLAN and APRIA HEALTHCARE, both parties acknowledge and agree that the Plan Member is part of the indigent population of the County of San Mateo, for which PLAN accepts one hundred percent (100%) fiscal responsibility for Covered Services provided under this Agreement and APRIA HEALTHCARE shall look solely to PLAN for reimbursement in full for Covered Services provided under this Agreement.
- b. If Medicare is the primary payor of the Plan Member, both parties acknowledge and agree to abide by the terms and conditions of Section 3.7 of this Agreement.
- c. In the case of a Medicare-Medi-Cal situation wherein APRIA HEALTHCARE has to bill Medicare as Primary Payor, both parties shall abide by the terms and conditions as set forth in Section 3.7 of this Agreement. In this case, Medicare will be billed as the primary payor, then Medi-Cal will be billed as the secondary payor. PLAN shall have not have any fiscal responsibility whatsoever in this regard.
- d. If Medi-Cal, another payor source or third-party payor source is the primary payor of the Plan Member, both parties acknowledge and agree that APRIA HEALTHCARE shall bill Medi-Cal, the other payor source or the third-party payor source directly and PLAN shall not have any fiscal responsibility whatsoever in this regard.

2.7 Equipment Repair: If PLAN requests that APRIA HEALTHCARE repair any Equipment purchased by PLAN as a Covered Service under this Agreement or any other equipment which PLAN may have purchased from another party, APRIA HEALTHCARE in its sole discretion may agree to repair such item at a price mutually agreed upon by the parties. In the event that APRIA HEALTHCARE chooses not to repair such item or the parties do not agree on the price to be charged, PLAN may purchase equipment or rent equipment from APRIA HEALTHCARE to replace the item requiring repair and shall pay APRIA HEALTHCARE the purchase price or the rental price identified in the Agreement for such equipment.

2.8 Substitutions. The parties acknowledge and agree that a particular type of equipment or supplies requested under this Agreement may not always be available. In such an event, both parties agree to meet and agree to the substitution with physician input, then APRIA HEALTHCARE may substitute another suitable item (the "Substituted Item") in the place of the equipment and/or supplies originally requested and bill PLAN for the price of the Substituted Item, and PLAN shall be obligated to pay the price of the Substituted Item. For purposes of this Section, the term "available" means (1) in situations in which APRIA HEALTHCARE is delivering the item on the same day the order or referral is received, that the item is contained in

APRIA HEALTHCARE's vehicle at the time the vehicle arrives at the place of delivery; or (2) in all other situations, that the applicable APRIA HEALTHCARE facility has the item in inventory.

3. Obligations of PLAN.

- 3.1 Coordination of Benefits: During the order intake process, PLAN shall assist APRIA HEALTHCARE in the Coordination of Benefits by providing appropriate information regarding Plan Members to APRIA HEALTHCARE.
- 3.2 Payment of Fees: PLAN shall pay APRIA HEALTHCARE the fees set forth in Exhibit B. Such fees shall be considered payment in full for Equipment, except for applicable Copayments, to APRIA HEALTHCARE. PLAN shall remit payment of the fee within forty-five (45) days of PLAN's receipt from APRIA HEALTHCARE of a clean claim, as defined in Exhibit C, or such time as may be specified by applicable law, whichever is less ("Claim Payment Period"). Both parties acknowledge and agree that the claims submission period shall start on the date APRIA HEALTHCARE has confirmed that the patient is a Plan Member of PLAN under this Agreement. APRIA HEALTHCARE shall submit claims for Covered Services provided under this Agreement within one hundred eighty (180) days from such date; both parties acknowledge and agree that any claims submitted beyond the one hundred eighty (180) day time period shall not be paid.

APRIA HEALTHCARE shall not be required to submit any documentation, including but not limited to prescriptions and certificates of medical necessity, in support of its claims, except as specified in Exhibit C. If PLAN determines that a claim is not a Clean Claim, PLAN shall, within thirty (30) days of the date such claim is sent by APRIA HEALTHCARE, notify APRIA HEALTHCARE in writing of the basis upon which a claim is not eligible for payment and specify any additional information required for PLAN to pay the amount due with respect to the applicable claim; provided, however, that PLAN shall pay within the time period set forth above any portion of such claim which is "Clean" (i.e., any portion of the claim which is complete and includes all the information reasonably needed to pay the claim, and as to which request for payment there is no material issue regarding PLAN's obligation to pay). If APRIA HEALTHCARE does not receive written notice from PLAN that all or any portion of a claim is not a "Clean Claim" within thirty (30) days after that claim is duly sent by APRIA HEALTHCARE to PLAN, then such claim shall be conclusively deemed to be "Clean" in its entirety and PLAN shall be immediately and unconditionally obligated to pay such claim in full. Any uncontested late claims shall accrue interest commencing the day after the Claim Payment Period expires at the maximum rate permitted by State and Federal Law. In addition, APRIA HEALTHCARE shall not be required to bill Medicare for equipment or services designated noncovered in the current DMERC Supplier Manual prior to PLAN remitting payment pursuant to this Subsection 3.2. PLAN shall provide APRIA HEALTHCARE with written notice of the address to which APRIA HEALTHCARE's claims should be submitted and, thirty (30) days prior to any change of such address, PLAN shall provide APRIA HEALTHCARE with written notice thereof. PLAN shall send payments to the address indicated on the billing form (on the CMS 1500 form, the remittance address is located in Box 33; on the UB92 form, the remittance address is located in Box 1). PLAN shall pay APRIA HEALTHCARE interest at the maximum rate permitted by state law per California AB 1455 regulation.

- 3.3 Lost, Stolen or Damaged Equipment: In the event that any Equipment is lost, stolen, or damaged due to the willful or negligent acts or omissions of Plan Member, Plan Member's family or other person, or if Plan Member refuses or fails to return Equipment to APRIA HEALTHCARE, PLAN shall pay APRIA HEALTHCARE for the repair or replacement of such Equipment in an amount equal to APRIA HEALTHCARE's cost to repair or replace the Equipment. APRIA HEALTHCARE shall submit a claim to PLAN, setting forth the Plan Member's name, address, Plan Member number and the approximate date the item was lost, stolen, damaged or not returned. PLAN shall pay such claim within thirty (30) days after PLAN's receipt of the claim. In the event PLAN fails to pay a claim within such thirty (30) days, PLAN shall pay APRIA HEALTHCARE interest on such outstanding amounts at a rate of ten percent (10%) per annum or the maximum rate permitted by state law, whichever is less. Such interest shall begin to accrue as of the date of the claim. If the Plan Member is willfully negligent of such Equipment during the time period the Plan Member has the Equipment in their possession, APRIA HEALTHCARE shall bill the Plan Member directly for any repair or replacement of such Equipment in an amount equal to APRIA HEALTHCARE's cost to repair or replace the Equipment and PLAN shall have no fiscal responsibility in this regard. For purposes of this Agreement, the term "willfully negligent" shall mean if the Equipment is (a) in the Plan Member's possession and (b) the Equipment is altered or destroyed to the extent that such Equipment is in need of repair or replacement.
- 3.4 Sales and Use Tax: PLAN shall reimburse APRIA HEALTHCARE for any and all applicable sales, use, excise and/or privilege taxes related to the provision of Equipment under this Agreement.
- 3.5 Payment Offset: All payments of any kind due to either party under this Agreement shall be made within the time periods specified in this Agreement without offset, deduction or recoupment of any kind. Except as may otherwise be specifically provided in this Agreement, PLAN shall have the right to recoup any and all amounts owed by APRIA HEALTHCARE to PLAN, within one (1) year of payment or due date for such payment to APRIA HEALTHCARE by PLAN, against amounts owed by PLAN to APRIA HEALTHCARE under this Agreement with sixty (60) calendar days advance written notice. If, after the sixty (60) day period, APRIA HEALTHCARE still objects to the recoupment of the specific amount to be recouped, APRIA HEALTHCARE may follow the dispute resolution procedures pursuant to Section 6 of this Agreement to resolve the issue. PLAN shall not recoup disputed amounts until the completion of the dispute resolution process. PLAN's rights under this Section shall include, without limitation, PLAN's right to recoup the following amounts owed to PLAN by APRIA HEALTHCARE: (i) amounts owed by APRIA HEALTHCARE due to overpayments or payments made in error by PLAN; (ii) amounts owed by APRIA HEALTHCARE due to receipt of payments made by Plan Members to APRIA HEALTHCARE for Equipment, excluding Copayments, deductibles, and co-insurance; (iii) amounts owed by APRIA HEALTHCARE as a result of the outcome of the Plan Member appeals and grievance procedures. As a material condition of PLAN's obligations under this Agreement, APRIA HEALTHCARE agrees that all recoupment shall be deemed to be authorized and to constitute rights of recoupment authorized under State or Federal Law or in equity to the maximum extent possible under law or in equity and that such rights shall not be subject to any requirement of prior or other approval from any court or other government authority that may now have or hereafter have jurisdiction over APRIA HEALTHCARE. APRIA HEALTHCARE may dispute any recoupment by PLAN described in this Section. However, in all circumstances relating to such offset proceedings, the

party seeking the adjustment shall provide justification for the recovery to the reasonable satisfaction of the other party and that, unless the claim was earlier contested, such rights of recovery shall be limited to services rendered by APRIA HEALTHCARE during the previous twelve (12) months. Any amounts due and associated with the provisions of this Section shall be paid within thirty (30) days of notice.

3.6 Fee Renegotiations: The fees listed in Exhibit B shall be in effect for the initial one-year term of this Agreement. Either party may request to negotiate revised fees within sixty (60) days prior to the annual anniversary date of this Agreement. If such fees are not renegotiated, then the pricing for the immediately preceding year shall remain in effect for the following year.

3.7 Medicare as Primary Payor: If APRIA HEALTHCARE is required or has agreed to bill the Medicare program as the primary payor for Equipment provided under this Agreement and has accepted assignment of the patient's Medicare claim, the parties agree that APRIA HEALTHCARE will bill for the Equipment at APRIA HEALTHCARE's retail price and that the responsibility for payment of the amounts due APRIA HEALTHCARE for the Equipment will be allocated among the Medicare program, the PLAN, and the Plan Member in the following manner:

(a) APRIA HEALTHCARE will bill the Medicare program for payment for the Equipment provided. The parties acknowledge that the Medicare program has an established maximum allowable price (the "Medicare Allowable") for the Equipment and that the Medicare program will reimburse APRIA HEALTHCARE at eighty percent (80%) of the Medicare Allowable;

(b) APRIA HEALTHCARE will then bill the PLAN for the remaining twenty percent (20%) of the Medicare Allowable not reimbursed by the Medicare program under clause (a) above. If payment is denied by PLAN, APRIA HEALTHCARE will bill Plan Member for the remaining twenty percent (20%) of the Medicare Allowable.

The parties also agree that when APRIA HEALTHCARE is required or has agreed to bill the Medicare program as the primary payor for Equipment provided under this Agreement and has accepted assignment of the patient's Medicare claim, if there is any conflict between this Agreement and the Medicare guidelines or regulations, the Medicare guidelines and regulations shall control.

3.8 Change in Plan Member's Status: In the event that a Plan Member transitions from any primary payor to PLAN as the primary payor, (i) PLAN from that point forward shall pay APRIA HEALTHCARE in accordance with this Agreement as if Plan Member is a new Plan Member, and (ii) APRIA HEALTHCARE will not be required to credit or honor any payments, rent-to-purchase or rental cap guidelines or conditions that may have existed before PLAN was Plan Member's primary payor.

3.9 Payments by Plan Members: APRIA HEALTHCARE may seek payment directly from or on behalf of Plan Members for Non-Covered Services; provided, however, that if PLAN authorizes APRIA HEALTHCARE to render a Non-Covered Service to a Plan Member, PLAN shall compensate APRIA HEALTHCARE in accordance with Exhibit B and this Section 3. APRIA HEALTHCARE shall obtain the Plan Member's written consent prior to the provision of such

Non-Covered Services. APRIA HEALTHCARE shall be permitted to bill and seek reimbursement from Plan Members for applicable copayments, coinsurance and deductibles billed in accordance with applicable law and the terms of the health benefit plan. The parties acknowledge that this Agreement shall not limit any rights or remedies of the parties as may be available under applicable law.

- 3.10 **Reports:** In the event PLAN requests, and APRIA HEALTHCARE agrees to provide, any reports pertaining to the Equipment or other matters addressed by this Agreement, PLAN agrees to pay APRIA HEALTHCARE a fair market value fee, to be mutually agreed upon by PLAN and APRIA HEALTHCARE.

4. Authorization.

- 4.1 **Initial Authorization:** If initial authorization is required, APRIA HEALTHCARE agrees to provide Equipment pursuant to the following authorization guideline(s):

The PLAN's authorization form completed in its entirety shall constitute initial authorization and APRIA HEALTHCARE shall not be required to obtain additional authorization for Equipment covered by such authorization form for the period designated as the length of need on the authorization form or otherwise communicated to APRIA HEALTHCARE by the Plan Member's physician ("authorization cycle").

Prior to providing Equipment, APRIA HEALTHCARE shall obtain authorization, by contacting PLAN's Case Management Department directly, by phone, to confirm PLAN's Member's eligibility and specific benefits and to obtain PLAN's authorization number. If PLAN does not have an authorization department, authorization shall be deemed given if PLAN requests, by telephone or otherwise, APRIA HEALTHCARE to provide the Equipment to a Plan Member. APRIA HEALTHCARE shall verify PLAN's Member's identity by asking Plan Member to produce his/her PLAN membership card. If no membership card has been issued, one (1) form of identification shall be required. PLAN shall pay for all Equipment provided by APRIA HEALTHCARE for which APRIA HEALTHCARE has received authorization.

- 4.2 **After-Hours Authorization:** Notwithstanding the provisions of Subsection 4.1, if PLAN, a physician, or a representative of a physician places an order with APRIA HEALTHCARE on a weekend (defined as beginning at 5p.m. on Friday evening and ending at 8a.m. on Monday morning) or holiday (defined as beginning at 5p.m. the prior evening and ending at 8 a.m. the day after the holiday), then APRIA HEALTHCARE shall be guaranteed payment for Equipment provided pursuant to that order during the weekend and/or holiday, even if authorization was not sought or obtained, and shall not be required to call PLAN to obtain authorization until the first business day after such weekend or holiday.
- 4.3 **Emergency Authorization:** If due to the severity of an Emergency, authorization cannot be obtained, PLAN agrees that APRIA HEALTHCARE's receipt of the order in an Emergency shall constitute sufficient authorization. In such an Emergency, APRIA HEALTHCARE shall notify Plan Member's physician as soon as possible, but in no event later than twenty-four (24) hours after treatment or admission; and shall notify the PLAN or PLAN's Authorization Department as soon as possible, but in no event later than the next business day after treatment

or admission. PLAN shall pay for all Equipment provided by APRIA HEALTHCARE in such an Emergency.

4.4 **Reauthorization.** The parties agree that, if required by PLAN, APRIA HEALTHCARE shall contact PLAN to ascertain whether or not each Plan Member, for which PLAN is renting the Equipment, has a need for such Equipment for the subsequent authorization cycle. PLAN shall inform APRIA HEALTHCARE, within seven (7) business days after being informed by APRIA HEALTHCARE, whether reauthorization has been received from PLAN or Plan Member's payor source and if so, the appropriate reauthorization number obtained from PLAN or Plan Member's payor source. Should PLAN fail to inform APRIA HEALTHCARE within such seven (7) day time frame, reauthorization shall be deemed to have occurred, APRIA HEALTHCARE will continue to provide such Equipment for the subsequent cycle and PLAN shall compensate APRIA HEALTHCARE in accordance with Exhibit B.

5. **Authorization Guarantee.** If APRIA HEALTHCARE complies with PLAN's authorization procedures, PLAN shall pay APRIA HEALTHCARE for any such Equipment provided according to the terms of this Agreement. Under no circumstances shall payment for such previously authorized services be denied retroactively based on a determination that the services were not Medically Necessary.

6. **Dispute Resolution.** In the event that any dispute between the parties arises out of this Agreement, such dispute shall be resolved as required by Subsections 6.1 through 6.3 below:

6.1 **Mediation:** The parties firmly desire to resolve all disputes arising hereunder without resort to litigation in order to protect their respective reputations and the confidential nature of certain aspects of their relationship. Accordingly, the parties may, upon the reasonable request of either party, agree to meet and confer in good faith to attempt to resolve any outstanding dispute or controversy.

If any dispute, controversy, or misunderstanding arises which may directly concern or involve any term, covenant, or condition hereof is not resolved as above, the parties shall use non-binding mediation as the preferred remedy for dispute settlement. Mediation shall be conducted under the Rules of the American Health Lawyers Association Alternative Dispute Resolution Service and the laws of California then in effect. It is agreed that the mediator shall be bound by applicable state and federal law and that the mediator shall issue written findings of fact and conclusions of law. The mediator shall have no authority to award damages or provide a remedy that would not be available to such prevailing party in a court of law. The cost of the mediation shall be shared equally by APRIA HEALTHCARE and PLAN. If mediation is unsuccessful, the parties may take the dispute to Superior Court in San Mateo County. Each party shall be responsible for its own attorneys' fees.

6.2 **Timely Payment Disputes:** For purposes of this Section 6, a "dispute" shall include, but not be limited to, any instance in which any portion of APRIA HEALTHCARE's accounts receivable balance with PLAN is past due ("Timely Payment Dispute"). In the event of a Timely Payment Dispute, PLAN's Director of Payor and Provider Contracting and individual with authority to authorize payment shall attend any meeting scheduled pursuant to Subsection 6.1, above. The parties firmly desire to resolve all disputes arising hereunder without resort to litigation in order to protect their respective reputations and confidential nature of certain aspects of their

relationship. Accordingly, the parties may, upon the reasonable request of either party, agree to meet and confer in good faith to attempt to resolve any outstanding dispute or controversy. If any dispute, controversy, or misunderstanding arises which may directly concern or involve any term, covenant, or condition hereof is not resolved as above, the parties shall use mediation as the preferred remedy for dispute settlement as outlined in Subsection 6.1 above.

- 6.3 **Breach:** In the event either party commits a material breach of its obligations hereunder, and the breach is not resolved as part of the Meet and Confer process described above, or in the event the breaching party should fail or refuse to participate in the Meet and Confer process, the other party shall be entitled to terminate this Agreement for breach by providing thirty (30) days written notice to the breaching party. For purposes of this Agreement, the term "material breach" shall include the following within its meaning:

(1) The persistent and continued failure or refusal by PLAN to pay amounts lawfully due hereunder to APRIA HEALTHCARE.

(2) The persistent and continued failure or refusal by APRIA HEALTHCARE to provide Equipment to patients in a timely and medically appropriate manner.

(3) The persistent and continued failure or refusal by PLAN to provide authorization for patient care as reasonably necessary for the appropriate care of patients being served hereunder.

(4) The persistent and continued failure or refusal by either party hereto to perform any other obligation under this Agreement, to the extent that such failure or refusal has a material and adverse impact on the quality of care provided to patients or on APRIA HEALTHCARE's right to reimbursement for services provided under this Agreement.

7. **Term.** This Agreement shall take effect on June 1, 2004 through May 30, 2006. This Agreement may be renewed for subsequent terms of one (1) year each and shall be considered automatically renewed for such renewal terms if no notice has been given under this Agreement prior to the end of the initial term or such subsequent terms.

8. **Termination.** Either party may terminate this Agreement at any time by giving written notice to the other party at least ninety (90) days in advance of the termination specified in such notice.

9. **Ownership of Equipment and Continuation of Care:** Except to the extent specifically provided in this Agreement, or as otherwise agreed to in writing by the parties, all Equipment provided by APRIA HEALTHCARE on a rental (including capped rental items) or capitated basis under this Agreement shall remain the sole property of APRIA HEALTHCARE, and neither PLAN nor Plan Members shall have any option to purchase any Equipment provided by APRIA HEALTHCARE, whether prior to termination of this Agreement or thereafter.

(a) **Transition of Care:** Upon termination of this Agreement, so long as PLAN is not in breach of its obligations hereunder, APRIA HEALTHCARE will continue to provide Equipment to those Plan Members who were receiving Equipment as of the date this Agreement terminates until the earlier to occur of the following:

- (1) the expiration of the Transition Period described below, or

- (2) the date PLAN transfers the Plan Member to another provider; or
- (3) such time as the Plan Member no longer has a medical necessity for the equipment.

Notwithstanding the foregoing, PLAN will continue to compensate APRIA HEALTHCARE for Equipment provided after the termination of this Agreement at the prices listed in Exhibit B as if all of the other terms of this Agreement were still in effect. No later than sixty (60) days prior to the scheduled date of termination, PLAN shall provide APRIA HEALTHCARE with a written report containing the list of Plan Member scheduled to be transferred to the new provider which identifies the provider to whom the transition is to be made (the "Transition List"). Thereafter, PLAN shall provide APRIA HEALTHCARE with an updated Transition List every fifteen (15) days until the effective termination date, or until all Plan Member have been identified for transition and transferred by PLAN, whichever time is later. During the period (the "Transition Period") commencing on the date PLAN delivers or by which PLAN is required to have delivered the first Transition List hereunder, PLAN and APRIA HEALTHCARE shall cooperate in good faith, and PLAN shall not cause unreasonable delay in identifying and transferring all patients to a new provider. The Transition Period shall continue until the later to occur as between (i) the sixtieth (60th) day from its commencement, (ii) the termination of this Agreement.

- (b) **Post Default or Transition Period Services:** If this Agreement is terminated due to a breach by PLAN, or if PLAN fails to transition all Plan Members receiving Equipment from APRIA HEALTHCARE prior to the expiration of the Transition Period, APRIA HEALTHCARE shall continue to provide Equipment to Plan Members who have not yet been transferred. However, at APRIA HEALTHCARE's discretion, the rate of compensation to APRIA HEALTHCARE for all Equipment still being provided to Plan Members as of the date of termination of this Agreement due to PLAN's breach or expiration of the Transition Period, as applicable, shall be increased to APRIA HEALTHCARE's retail prices. At any time after termination of this Agreement due to PLAN's default or expiration of the Transition Period, APRIA HEALTHCARE, at its option, may take any and all lawful actions to discontinue providing services to any Plan Member, or to require such Plan Members to make arrangements to pay APRIA HEALTHCARE directly.

- (c) **Authorizations for Services Rendered after Termination:** After termination of this Agreement, it shall be necessary for APRIA HEALTHCARE to seek reauthorization for services being rendered or Equipment being provided as of the date of termination. Notwithstanding any other provision of this Agreement, or any policy of PLAN, APRIA HEALTHCARE shall be deemed authorized to continue providing services and equipment to all Plan Member who were receiving such services or equipment as of the date of termination of this Agreement, and such authorization shall remain effective as to each Plan Member (under the most recent authorization number or other identifier) until the earlier to occur of the following:

- (1) the date the Plan Member is properly transitioned to another provider;

- (2) PLAN advises APRIA HEALTHCARE that the patient no longer has a medical need for continued services and indicates to APRIA HEALTHCARE in writing to cease providing such service and to retrieve its Equipment from the Plan Member's home; and
- (3) PLAN correctly advises APRIA HEALTHCARE in writing that PLAN no longer has financial responsibility for the Plan Member.

Notwithstanding the foregoing, PLAN shall cooperate with APRIA HEALTHCARE in the ordinary course of business after termination of this Agreement to confirm and assign numbers to any existing authorizations, to provide any authorizations or authorization information PLAN was obligated to provide as of the date of termination and to process and pay all outstanding, valid claims for Equipment provided hereunder.

10. **Mutual Hold Harmless.** APRIA HEALTHCARE shall indemnify and save harmless PLAN, 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 APRIA HEALTHCARE or (B) damage to any property of any kind whatsoever and to whomsoever belonging, (C) any sanctions, penalties or claims of damages resulting from APRIA HEALTHCARE'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 PLAN, its officers, agents, employees or servants, passive negligence of PLAN, its officers, agents, employees or servants resulting from the performance of any work required of APRIA HEALTHCARE or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which PLAN has been found in a court of competent jurisdiction to be solely liable by reason of its negligence or willful misconduct.

The duty of APRIA HEALTHCARE 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.

PLAN shall indemnify and hold harmless APRIA HEALTHCARE, its officers, agents, employees and servants from all claims, suits or actions of every name, kind and description, brought for or on account of injuries to or death of any person, including PLAN, or damages to property of any kind whatsoever and to whomsoever belonging, including but not limited to the concurrent active or passive negligence of APRIA HEALTHCARE, its officers, agents, employees and servants, resulting from the performance of any work required of PLAN, provided that this shall not apply to injuries or damage for which APRIA HEALTHCARE 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 PLAN to indemnify and save harmless as set forth herein shall include the duty to defend as set forth in Section 2778 of the California Code.

In the event of concurrent negligence of APRIA HEALTHCARE, its officers and/or employees and PLAN, its officers and/or employees, then the liability for any and all claims for injuries or damages to persons and/or property which arise out of the terms and conditions of this Agreement shall be

apportioned under the California theory of comparative negligence as established presently, or as may be hereafter modified.

11. **Insurance.** Each party hereto shall procure and maintain commercial general liability and professional liability insurance covering the acts and omissions of the party and its employees in the amounts of not less than One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) in aggregate. Upon request, each party shall provide the other with certificates of insurance evidencing the insurance coverage required hereunder.
12. **Assignment.** Neither party hereto shall assign this Agreement or delegate its obligations hereunder without the prior written consent of the other party hereto in each instance. Notwithstanding the foregoing, all covenants, conditions, and obligations contained herein shall be binding upon, and shall inure to the benefit of, the respective successors and assigns of PLAN and APRIA HEALTHCARE.
13. **Third-Party Rights.** This Agreement is intended solely for the mutual benefit of the parties hereto and there is no intention, expressed or otherwise, to create any rights or interests for any other party or person other than PLAN and APRIA HEALTHCARE. The terms and pricing under this Agreement are applicable only to PLAN and shall not be extended to any affiliate, subsidiary, parent or any other person or entity related or contracted with PLAN, unless consented to by APRIA HEALTHCARE in writing.
14. **Severability.** The provisions of this Agreement shall be severable, and if any provision shall be prohibited by law, or invalid, or unenforceable in whole or in part for any reason, the remaining provisions shall remain in full force and effect.
15. **Entire Agreement.** This Agreement contains the entire agreement between PLAN and APRIA HEALTHCARE with respect to the subject hereof. PLAN and APRIA HEALTHCARE expressly agree that there are no promises, agreements, conditions, undertakings, warranties, or representations, oral or written, expressed or implied, between them, other than as set forth herein. This Agreement supercedes any other oral or written agreement related to rates for services provided to the Plan Members and in the event that the rates set forth in the Agreement conflict with rates set forth in another enforceable agreement, the higher compensation rates will apply.
16. **Agreement Controls.** In the event the provisions of any PLAN manuals, policies, or procedure documents referenced in this Agreement are inconsistent with the terms of this Agreement, the terms of this Agreement shall control.
17. **Amendments.** This Agreement may not be modified orally or in any other manner except by an agreement in writing signed by both parties hereto or their respective successors-in-interest.

18. **Notice.** All notices and other communications under this Agreement shall be given in writing and shall be duly given (i) if personally delivered, (ii) if delivered by an overnight courier which tracks deliveries, or (iii) if mailed by certified or registered mail, return receipt requested, first-class postage prepaid, if to PLAN, to it at:

SAN MATEO MEDICAL CENTER
222 W. 39th Avenue
San Mateo, California 94403
Attn: Director, Provider and Payor Contracts

with a copy to:

OFFICE OF THE COUNTY COUNSEL
COUNTY OF SAN MATEO
400 County Center
Redwood City, California 94061

and if to APRIA HEALTHCARE, to it at:

APRIA HEALTHCARE, INC.
26220 Enterprise Court
Lake Forest, California 92630-8400
Attn: Vice President, Contract Services

The parties hereto shall be responsible for promptly notifying each other in writing of any change of address.

19. **Independent Parties.** None of the provisions of this Agreement are intended to create nor shall be deemed or construed to create any relationship between the parties hereto other than that of independent contractors solely for the purpose of effecting the provisions of this Agreement. Neither of the parties hereto, nor any of their respective officers, directors or employees, shall act as nor be construed to be the agent, employee or representative of the other.
20. **Access to Records.** In the event that the requirements of 42 C.F.R. Subpart C of Part 405, 42 C.F.R. Subpart D of Part 420, or 42 C.F.R. Subpart B of Part 455, or any amendments thereto are held applicable to this Agreement, until the expiration of four (4) years after the expiration or earlier termination of this Agreement, APRIA HEALTHCARE shall make available, upon written request, to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller General and PLAN, or any of their duly authorized representatives, this Agreement, and such books, documents, and records of APRIA HEALTHCARE, and its agents and employees, as are necessary to certify the nature and extent of APRIA HEALTHCARE's compensation for the services rendered hereunder and that, until the expiration of four (4) years after the furnishing of such services pursuant to this Agreement, any contractors retained by APRIA HEALTHCARE whose total compensation for such services is Ten Thousand Dollars (\$10,000) or more over a twelve (12) month period shall make available upon written request, to the Secretary, or upon request to the Comptroller General, or any of their duly authorized representatives, the subcontract, and such

books, documents, and records of their organizations as are necessary to verify the nature and extent of their compensation for such services.

21. **Nondiscrimination.** The parties hereby agree to fully comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by and pursuant to the regulations of the United States Department of Health and Human Services issued pursuant to that Title, so that no person in the United States of America shall, on grounds of race, sex, religion, color, handicap or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity provided by either party.
22. **Patient Records Confidentiality.** All records maintained in conjunction with the provision of Equipment to any Plan Member, shall be treated as confidential and the parties agree to comply with all federal, state and local laws regarding confidentiality of patient records.
23. **Confidential Information.** All information, including, but not limited to, operational procedures, service protocols, pricing and statistical data, furnished or disclosed by either party to the other party, shall remain the property of the disclosing party. Each party agrees not to disclose such information to any third party or otherwise use the information for any purpose inconsistent with this Agreement unless required to do so by subpoena, court order, other legal process or by operation of law. This Section shall survive the termination of this Agreement.
24. **Publicity.** Neither party shall disclose to any other party any information relating to the terms of this Agreement, including, but not limited to, pricing, without the other party's prior written consent. Neither party shall use any of the other party's logos, trade names, trademarks, service marks, copyrighted or other proprietary materials without the prior written consent of the other party.
25. **Waiver.** The waiver by either party of a breach of violation of any provision of this Agreement shall not operate as or be construed to be a waiver of any subsequent breach thereof.
26. **Headings.** The captions and headings contained herein are for convenience of reference purposes only and shall have no force or effect.
27. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. In addition, both parties acknowledge and agree to abide by the terms and conditions as set forth in California Assembly Bill 1455, Title 28, Code of Regulations.
28. **Attorneys' Fees.** In the event of any suit under this Agreement, each party shall be responsible for their attorney's fees.
29. **Participation in Federal Programs.** Each party represents that it is not debarred, suspended or otherwise ineligible to participate in any federal program. If either party determines that the other party is, or during the term of this Agreement becomes, debarred, suspended or otherwise ineligible to participate in any federal program, the party making the determination may terminate this Agreement immediately.

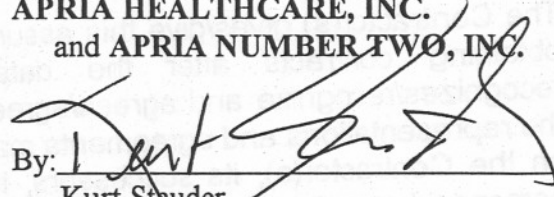
30. **No Waiver of Federal or State Rights.** Nothing in this Agreement shall be construed to waive any rights nor create any obligations contrary to those APRIA HEALTHCARE may have under any applicable federal or state law.

IN WITNESS WHEREOF, the parties have duly executed this Agreement effective the date first written above.

COUNTY OF SAN MATEO

**APRIA HEALTHCARE, INC.
and APRIA NUMBER TWO, INC.**

By: _____
Name: _____
Title: _____

By:  8/4/05
Kurt Stauder
Vice President, Contract Services

Tax Identification Numbers:
33-0057155 (Apria Healthcare, Inc.)
33-0675343 (Apria Number Two, Inc.)

Attachment I

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

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

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

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

- a. ☐ has no employees.
- b. ☐ employs fewer than 15 persons.
- c. ☒ employs 15 or more persons and, pursuant to Section 84.7 (a) of the regulation (45 C.F.R. 84.7 (a)), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

Kurt Stauder, Vice President, Contract Services
Name of 504 Person - Type or Print

Apria Healthcare, Inc.
Name of Contractor(s) - Type or Print

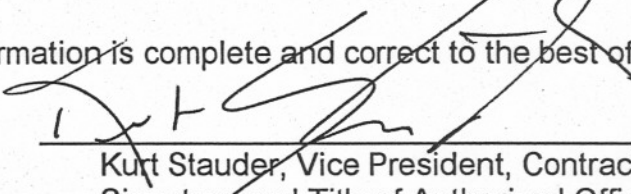
26220 Enterprise Court
Street Address or PO Box

Lake Forest
City

CA 92630
State Zip Code

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

August 4, 2005
Date


Kurt Stauder, Vice President, Contract Services
Signature and Title of Authorized Official

*Exception: DHHS regulations state that:

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

APRIA HEALTHCARE
Contract Services
and pricing

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: Apria Healthcare, Inc.
Contact Person: Vice President, Contract Services
Address: 26220 Enterprise Court
Lake Forest, California 92630
Phone Number: (949) 639-2000
Fax Number: (949) 587-0431

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.


Signature

Kurt Stauder
Name (Please Print)

Vice President, Contract Services
Title

August 4, 2005
Date

APRIA HEALTHCARE
Contract Services
and pricing

EXHIBIT A

SERVICE AREA

APRIA HEALTHCARE shall only be required to provide Equipment to those Plan Members in the service area limits of each APRIA HEALTHCARE location set forth below*:

South San Francisco, CA
San Jose, CA

* Any revision of Exhibit A to this Agreement shall occur by way of mutual amendment as noted in Section 17 of this Agreement.

EXHIBIT B

Exhibit B1: Medi-Cal Allowables HME/RT Fee Schedule

Exhibit B2: Non-Medi-Cal Allowables HME/RT Fee Schedule

Exhibit B3: Non-Listed Items and Notes

For items with a designated Medi-Cal Allowable, reimbursement shall be in accordance with the prices listed in Exhibit B1.

For items without a designated Medi-Cal Allowable rental and/or purchase price, reimbursement shall be in accordance with the prices listed in Exhibit B2.

For items that are not listed in Exhibit B2 and do not have a designated Medi-Cal Allowable rental and/or purchase price, reimbursement shall be in accordance with the Non-Listed Discount as noted in Exhibit B3.

Exhibits B1, B2 and B3 are subject to the terms and conditions as listed in the Notes section of Exhibit B3.

EXHIBIT B1
HME/RT FEE SCHEDULE
MEDI-CAL ALLOWABLES

[Page 1 of 8]

The following rates include professional and ancillary items necessary to provide high quality home respiratory and medical equipment care, as set forth in APRIA HEALTHCARE's Essential Care Model, which may be amended from time to time, including, but not limited to, the following:

- 1) Home medical equipment and/or home respiratory equipment;
- 2) Ancillary supplies related to the equipment provided; and
- 3) Initial respiratory assessment, training and routine follow-up.

Ancillary equipment, additional supplies and deliveries beyond those listed in the Essential Care Model and fees as set forth below will be invoiced in addition to the following rates.

<i>HCPC Code</i>	<i>Item Description</i>	<i>Monthly Rent</i>	<i>Sale Price</i>
A4230	INFUSN SET,EXTERNAL INSULIN PUMP,CANULA	Sale Item Only	\$10.07
A4231	INFUSN SET FOR EXT INSULIN PUMP,NEEDLE	Sale Item Only	\$10.07
A4232	SYRINGE W/NDLE FOR EXT INS PUMP,STERILE	Sale Item Only	\$5.10
A4259	LANCETS, PER BOX OF 100	Sale Item Only	\$11.81
A4556	ELECTRODES (E.G. APNEA MONITOR) PER PAIR	Sale Item Only	\$8.26
A4557	LEAD WIRES (E.G. APNEA MONITOR) PER PAIR	Sale Item Only	\$14.35
A4595	TENS SUPPLIES, 2 LEAD, PER MONTH	Sale Item Only	\$22.68
A4615	CANNULA, NASAL	Sale Item Only	\$4.83
A4616	TUBING,(OXYGEN) PER FOOT	Sale Item Only	\$4.83
A4619	FACE TENT	Sale Item Only	\$0.97
A4620	VARIABLE CONCENTRATION MASK	Sale Item Only	\$4.83
A4624	TRACHEAL SUCTION CATHETER, ANY TYPE, EA	Sale Item Only	\$2.35
A4635	UNDERARM PAD, CRUTCH, REPLACEMENT, EACH	Sale Item Only	\$4.10
A4636	REPLACEMENT,HANDGRIP CANE/CRUTCH/WLKR EA	Sale Item Only	\$3.37
A4637	REPLACEMENT,TIP, CANE/CRUTCH/WALKER, EA	Sale Item Only	\$1.70
A4640	REPLACEMENT PAD,USE W/OWNED PRESSURE PAD	Sale Item Only	\$45.18
A7000	CANISTER, DISP,USED WITH SUCTION PUMP EA	Sale Item Only	\$7.63
A7001	CANISTER, NON-DISP, USED W/SUCTION PUMP	Sale Item Only	\$26.46
A7005	ADMIN SET SM VOL NONFILT PNEU NEB NONDIS	Sale Item Only	\$24.66
A7006	ADMIN SET SM VOL FILTERED PNEU NEBULIZER	Sale Item Only	\$24.66
A7030	CPAP/RAD FULL FACE MASK	Sale Item Only	\$75.00
A7031	CPAP FULL FACE MASK INTERFACE/CUSHION	Sale Item Only	\$75.00
A7032	CPAP/RAD CUSHION FOR USE WITH MASK	Sale Item Only	\$55.82
A7033	CPAP/RAD PILLOWS FOR NASAL APPLCTN DEVIC	Sale Item Only	\$32.42
A7034	CPAP/RAD MASK OR NASAL APPLCTN DEVICE	Sale Item Only	\$93.00
A7035	CPAP/RAD HEADGEAR	Sale Item Only	\$94.11
A7036	CPAP/RAD CHINSTRAP	Sale Item Only	\$31.80
A7037	CPAP/RAD TUBING	Sale Item Only	\$14.56
A7038	CPAP/RAD DISPOSABLE FILTER, EACH	Sale Item Only	\$32.82
A7039	CPAP/RAD FILTER NON-DISPOSABLE, EACH	Sale Item Only	\$4.31
A7044	CPAP/RAD ORAL INTERFACE (ORACLE MASK)	Sale Item Only	\$96.73
A7046	WATER CHAMBER FOR CPAP/BIPAP HUMIDIFIER	Sale Item Only	\$15.61
B9000	ENTERAL NUTRITION INFUSN PUMP; W/O ALARM	\$83.38	\$907.45
B9002	ENTERAL NUTRITION INFUSN PUMP; W/ALARM	\$87.89	\$907.45
E0100	CANE,ALL MATERIALS,ADJ/FIXED,W/TIP	Sale Item Only	\$15.99
E0105	CANE,QUAD/3PRONG,ADJ/FIXED,W/TIP	Sale Item Only	\$37.50

EXHIBIT B1
HME/RT FEE SCHEDULE
MEDI-CAL ALLOWABLES
[Page 2 of 8]

<i>HCPC Code</i>	<i>Item Description</i>	<i>Monthly Rent</i>	<i>Sale Price</i>
E0110	CRUTCH,FOREARM,PR, ADJ/FIXED, TIPS/GRIPS	Sale Item Only	\$62.07
E0111	CRUTCH,FOREARM,EA, ADJ/FIXED, TIPS/GRIPS	Sale Item Only	\$41.83
E0112	CRUTCH,UNDERARM,PR,ADJ/FIXED,PAD/TIP/GRP	Sale Item Only	\$29.60
E0113	CRUTCH,UNDERARM,EA,WOOD,ADJ/FIX,P/T/GRIP	Sale Item Only	\$16.90
E0114	CRUTCH,UNDERARM,OTH THN WOOD,ADJ/FXD, PR	Sale Item Only	\$37.75
E0116	CRUTCH,UNDERARM,OTH THN WOOD,ADJ/FXD, EA	Sale Item Only	\$18.87
E0117	CRUTCH UNDERARM ARTICULATING SPRING ASST	Sale Item Only	\$154.17
E0130	WALKER,RIGID(PICKUP), ADJ/FIXED HEIGHT	Sale Item Only	\$56.18
E0135	WALKER,FOLDING(PICKUP),ADJ/FIXED HEIGHT	Sale Item Only	\$67.07
E0140	WALKER W/TRUNK SUPPORT, ADJ OR FIXED, EA	Sale Item Only	\$288.57
E0141	WALKER, RIGID, WHEELED, WITHOUT SEAT	Sale Item Only	\$92.23
E0143	WALKER, FOLDING, WHEELED W/O SEAT	Sale Item Only	\$89.58
E0144	WALKER,ENCLOSED W/WHEELS & SEAT	Sale Item Only	\$254.76
E0147	WALKER,H/D,MULT BRAKE,VARIABLE WHEEL RES	Sale Item Only	\$279.69
E0148	WALKER, HEAVY DUTY, W/O WHEELS, ANY TYPE	Sale Item Only	\$101.64
E0149	WALKER, HEAVY DUTY, W/WHEELS, ANY TYPE	Sale Item Only	\$178.56
E0153	PLATFORM ATTACHMENT; FOREARM CRUTCH, EA	Sale Item Only	\$55.50
E0154	PLATFORM ATTACHMENT; WALKER, EA	Sale Item Only	\$56.41
E0155	WHEEL ATTACHMENT, RIGID PICKUP WALKER	Sale Item Only	\$25.25
E0156	SEAT ATTACHMENT, WALKER	Sale Item Only	\$21.14
E0157	CRUTCH ATTACHMENT, WALKER, EA	Sale Item Only	\$55.70
E0158	LEG EXTENSIONS FOR WALKER, PER SET OF 4	Sale Item Only	\$25.74
E0159	BRAKE ATTCHMT,WHEELED WALKER,REPLCMT,EA	Sale Item Only	\$14.30
E0163	COMMODE CHAIR;STATIONARY W/FIXED ARMS	Sale Item Only	\$88.23
E0164	COMMODE CHAIR; MOBILE W/FIXED ARMS	Sale Item Only	\$145.12
E0166	COMMODE CHAIR; MOBILE W/DETACH ARMS	Sale Item Only	\$292.80
E0167	PAIL/PAN FOR USE W/COMMODE CHAIR	Sale Item Only	\$9.60
E0168	COMMODE, HEAVY DUTY, WHEELED, ANY TYPE	Sale Item Only	\$120.74
E0180	PRESSURE PAD, ALTERNATING W/PUMP	\$16.54	\$198.43
E0181	PRESSURE PAD,ALTERNATING W/PUMP; H/D	\$18.34	\$220.03
E0182	PUMP FOR ALTERNATING PRESSURE PAD	\$20.94	\$251.33
E0184	DRY PRESSURE MATTRESS	Sale Item Only	\$132.40
E0185	GEL/GEL-LIKE PRESS PAD FOR MATTRESS, STD	Sale Item Only	\$255.89
E0186	AIR PRESSURE MATTRESS	Sale Item Only	\$194.88
E0187	WATER PRESSURE MATTRESS	Sale Item Only	\$222.82
E0188	SYNTHETIC SHEEPSKIN PAD	Sale Item Only	\$21.14
E0189	LAMBSWOOL SHEEPSKIN PAD, ANY SIZE	Sale Item Only	\$41.57
E0196	GEL PRESSURE MATTRESS	\$25.99	\$311.90
E0197	AIR PRESSURE PAD FOR MATTRESS, STD WDTN	\$24.46	\$177.26
E0198	WATER PRESSURE PAD FOR MATTRESS,STANDARD	\$18.61	\$179.65
E0199	DRY PRESSURE PAD FOR MATTRESS, STANDARD	Sale Item Only	\$25.64
E0210	ELECTRIC HEAT PAD, STD	Sale Item Only	\$26.11
E0241	BATH TUB WALL RAIL, EA	Sale Item Only	\$14.62
E0243	TOILET RAIL, EA	Sale Item Only	\$42.76
E0244	RAISED TOILET SEAT	Sale Item Only	\$46.04

EXHIBIT B1
HME/RT FEE SCHEDULE
MEDI-CAL ALLOWABLES
[Page 3 of 8]

<i>HCP Code</i>	<i>Item Description</i>	<i>Monthly Rent</i>	<i>Sale Price</i>
E0245	TUB STOOL OR BENCH	Sale Item Only	\$55.07
E0246	TRANSFR TUB RAIL ATTACHMENT	Sale Item Only	\$37.08
E0247	TRANSFER BENCH FOR TUB OR TOILET	Sale Item Only	\$81.42
E0271	MATTRESS, INNERSPRING	Sale Item Only	\$152.78
E0272	MATTRESS, FOAM RUBBER	Sale Item Only	\$161.90
E0274	OVERBED TABLE	\$16.40	\$109.84
E0275	BED PAN, STANDARD METAL OR PLASTIC	Sale Item Only	\$12.25
E0276	BED PAN, FRACTURE, METAL OR PLASTIC	Sale Item Only	\$10.64
E0277	POWER PRESSURE-REDUCING AIR MATTRESS	Sale Item Only	\$6,944.64
E0280	BED, CRADLE, ANY TYPE	\$3.29	\$30.56
E0291	HOSP BED; FXD HGT, W/O SIDE RAILS/MATTRS	\$36.93	\$443.14
E0293	HOSP BED, VAR HGT, W/O SIDE RAILS/MATTRS	\$48.62	\$583.49
E0295	HOSP BED,SEMI-ELECT,W/O MATT/SIDE RAILS	\$101.88	\$1,222.56
E0297	HOSP BED,TOT-ELECT,W/O SIDE RAILS/MATTRS	\$108.52	\$1,302.24
E0303	HD XTRA WIDE HOSP BED,>350<600LBS W/MATT	\$232.14	\$2,785.63
E0304	HD XTRA WIDE HOSP BED,>600LBS W/MATT W/R	\$616.54	\$7,398.43
E0305	BED SIDE RAILS; HALF LENGTH	\$14.23	\$170.78
E0310	BED SIDE RAILS; FULL LENGTH	\$18.21	\$152.36
E0316	SAFETY ENCLOSURE FRAME FOR HOSP BED, ANY	\$162.54	\$1,950.43
E0325	URINAL; MALE, JUG TYPE, ANY MATERIAL	Sale Item Only	\$6.87
E0326	URINAL; FEMALE, JUG TYPE, ANY MATERIAL	Sale Item Only	\$8.40
E0371	NON-PWRD ADVANCE PRESS REDC OVERLAY MATT	\$10.62	\$159.30
E0372	POWERED AIR OVERLAY FOR MATTRESS STD	\$13.70	\$205.50
E0373	NONPWRD ADVANCD PRESSURE REDUCING MATT	\$14.76	\$221.40
E0424	STATIONARY COMPRSSD GAS OX SYS;RENTAL	\$24.20	Rental Item Only
E0431	PORTABLE GASEOUS OXYGEN SYSTEM; RENTAL	\$28.78	Rental Item Only
E0434	PORTABLE LOX SYSTEM;RENTAL	\$28.78	Rental Item Only
E0441	OX CONT GAS SALE (STAT/STAT&PORT OWNED)	Sale Item Only	\$4.33
E0442	OX CONT LOX SALE (STAT/STAT&PORT OWNED)	Sale Item Only	\$9.91
E0450	VOLUME VENT STAT/PORT W/INVASIVE INTERFC	\$649.07	Rental Item Only
E0461	NEGATIVE PRESSURE VENTILATOR, STATIONARY	\$649.07	Rental Item Only
E0470	RESPIRATORY ASSIST DEVICE,WITHOUT BACKUP	\$197.06	\$2,364.67
E0471	RESPIRATORY ASSIST DEVICE, BILEVL NONINV	\$513.74	Rental Item Only
E0472	RESPIRATORY ASSIST DEVICE, BILEVL INVASI	\$513.74	Rental Item Only
E0480	PERCUSSOR,ELEC/PNEUMATIC, HOME MODEL	\$34.55	\$414.62
E0500	IPPB MACH W/MNUL/AUTO VALVES;INT/EXT PWR	\$87.82	\$878.16
E0550	HUMIDIFIER FOR EXTENSIVE SUPPL IPPB/OXY	\$40.10	\$401.04
E0555	HUMIDIFIER FOR REGULATOR / FLOWMETER	\$8.72	\$25.86
E0561	NON HEATED HUMIDIFIER, FOR CPAP/RAD	Sale Item Only	\$85.60
E0562	HEATED HUMIDIFIER, USED WITH CPAP/RAD	\$24.09	\$240.98
E0570	NEBULIZER;W/AIR COMPRESSOR	Sale Item Only	\$189.41
E0600	SUCT PMP,HOME MODEL,PORTBLE/STAT ELECTRC	\$36.63	\$439.58
E0601	CONTINUOUS AIRWAY PRESSURE(CPAP) DEVICE	\$84.21	\$875.00
E0602	BREAST PUMP, MANUAL, ANY KIND	Sale Item Only	\$23.62
E0603	BREAST PUMP,ELECTRIC(AC &/OR DC)ANY TYPE	Sale Item Only	\$93.15

EXHIBIT B1
HME/RT FEE SCHEDULE
MEDI-CAL ALLOWABLES
[Page 4 of 8]

HCPC Code	Item Description	Monthly Rent	Sale Price
E0604	BRST PUMP,HEAVY DUTY,(HSPTL GRD)ELECTRIC	\$2.72	Rental Item Only
E0607	BLOOD GLUCOSE MONITOR, HOME	Sale Item Only	\$53.46
E0618	APNEA MONITOR, W/O RECORDING FEATURE	\$208.80	Rental Item Only
E0619	APNEA MONITOR, W/RECORDING DEVICE	\$208.80	Rental Item Only
E0621	SLING OR SEAT, PATIENT LIFT,CANVAS/NYLON	\$7.19	\$71.86
E0630	PATIENT LIFT;HYDRAULIC W/SEAT OR SLING	\$71.03	\$852.38
E0651	PNEUMATIC COMP; W/O CALIB GRADIENT PRESS	\$63.80	\$624.53
E0665	PNEUMATIC APPL FOR PNEUM COMP; FULL-ARM	\$9.81	\$98.23
E0668	PNEUMATIC APPL FOR SEG COMPRESSOR;(ARM)	\$34.89	\$353.50
E0701	HELMET W/FACE GUARD, PREFABRICATED	Sale Item Only	\$122.68
E0720	TENS; TWO-LEAD, LOCALIZED STIMULATION	\$24.99	\$249.95
E0730	TENS; FOUR-LEAD, MULTIPLE NERVE STIM	\$25.20	\$251.98
E0747	OSTEOGENESIS STIMULATOR,ELEC,NON-INVASVE	\$159.90	\$2,398.50
E0776	IV POLE	\$14.92	\$75.46
E0779	AMBULATORY INFUSION PUMP,REUSABLE >=8 HR	Sale Item Only	\$153.88
E0780	AMBULATORY INFUSN PMP;REUSE,LESS THN8HRS	Sale Item Only	\$8.30
E0781	AMBULATORY INFUSION PUMP W/ADMIN EQUIP	\$7.06	\$105.90
E0784	EXTERNL AMBULATORY INFUSION PUMP,INSULIN	Sale Item Only	\$3,988.50
E0791	PARENTERAL INFUS PMP,STAT/SINGLE/MULTCHN	\$252.96	\$2,529.60
E0840	TRACTION FRAME,ATT TO HEADBD,CERV TRACTN	\$13.06	\$58.62
E0850	TRACTION STAND,FREE STAND,CERV TRACTION	\$11.54	\$78.22
E0860	TRACTION EQUIPMENT, OVERDOOR, CERVICAL	\$5.21	\$30.82
E0870	TRACTN FRAME,ATTCH TO FTBD,EXTREM TRACTN	\$13.06	\$58.62
E0880	TRACTION STAND,FREE STAND,EXTRMTY ACTION	\$11.54	\$78.22
E0890	TRACTION FRAME,ATTCH TO FTBD,PELV TRACTN	\$13.06	\$58.62
E0900	TRACTION STAND,FREE STAND,PELVIC TRACTN	\$11.54	\$78.22
E0910	TRAPEZE BARS, ATTCH TO BED,W/GRAB BAR	\$14.10	\$169.25
E0920	FRACTURE FRAME;ATTCH TO BED,INCL WEIGHTS	\$31.38	\$376.51
E0930	FRACTURE FRAME;FREE STAND,INCLD WEIGHTS	\$32.96	\$395.52
E0935	PASSIVE MOTION EXERCISE DEVICE, PER DAY	\$15.97	Rental Item Only
E0940	TRAPEZE BAR, FREE STAND W/GRAB BAR	\$27.10	\$325.25
E0942	CERVICAL HEAD HARNESS/HALTER	\$1.87	\$15.88
E0944	PELVIC BELT/HARNESS/BOOT	\$3.13	\$31.20
E0945	EXTREMITY BELT/HARNESS	\$3.55	\$35.46
E0947	FRACTURE FRAME;ATT FOR CMLPX PELV TRACTN	\$50.31	\$485.17
E0948	FRACTURE FRAME;ATT FOR COMPLEX CERV TRAC	\$46.91	\$469.27
E0950	WHEELCHAIR TRAY, EACH	Sale Item Only	\$93.02
E0951	HEEL LOOP/HOLDER W/ OR W/O ANKLE STRAP	Sale Item Only	\$18.98
E0952	TOE LOOP/HOLDER, EACH	Sale Item Only	\$16.01
E0955	W/C HEADREST, CUSHIONED, PREFAB, W/HRDWR	Sale Item Only	\$202.18
E0956	W/C LAT TRUNK/HIP SUPPORT PREFAB, W/HDWR	Sale Item Only	\$98.58
E0957	W/C MEDIAL THIGH SUPPORT, PREFAB W/HDWR	Sale Item Only	\$137.93
E0958	WHEELCHAIR ATT TO CONVERT TO ONE-ARM DR	Sale Item Only	\$392.19
E0959	MAN W/C ACSSRY, AMPUTEE ADAPTER, EACH	Sale Item Only	\$71.69

EXHIBIT B1
HME/RT FEE SCHEDULE
MEDI-CAL ALLOWABLES
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<i>HCPC Code</i>	<i>Item Description</i>	<i>Monthly Rent</i>	<i>Sale Price</i>
E0960	W/C SHOULDER OR CHEST HARNESS/STRAPS, EA	Sale Item Only	\$90.98
E0961	MAN W/C ACSSRY, BRAKE EXTENSION, EACH	Sale Item Only	\$24.11
E0966	MAN W/C ACSSRY, HEADREST EXTENSION, EACH	Sale Item Only	\$71.37
E0967	MAN W/C ACSSRY, HAND RIM W/PROJECTIONS	Sale Item Only	\$107.13
E0970	MAN W/C ACSSRY, NO. 2 FOOTPLATES, NO ELR	Sale Item Only	\$39.63
E0971	MAN W/C ACSSRY, ANTI-TIPPING DEVICE	\$5.19	\$52.02
E0972	W/C ACSSRY, TRANSFER BOARD OR DEVICE, EA	Sale Item Only	\$50.67
E0974	MAN W/C ACSSRY, ANTI-ROLLBACK DEVICE, EA	Sale Item Only	\$75.36
E0977	W/C ACSSRY, WEDGE CUSHION	Sale Item Only	\$45.08
E0978	W/C ACSSRY, SAFETY BELT/PELVIC STRAP, EA	Sale Item Only	\$30.84
E0981	W/C SEAT UPHOLSTERY, REPLACEMENT ONLY	Sale Item Only	\$35.89
E0982	W/C BACK UPHOLSTERY, REPLACEMENT ONLY	Sale Item Only	\$43.80
E0983	POWER ADD-ON, CONV. MANUAL WC TO PWR JOY	Sale Item Only	\$2,862.96
E0984	POWER ADD-ON, CONV. MANUAL WC TO POV TILL	Sale Item Only	\$1,623.99
E0985	W/C ACCESSORY, SEAT LIFT MECHANISM	Sale Item Only	\$202.85
E0986	W/C ACCSRY, PUSH-RIM ACTIVATED POWER ASS	Sale Item Only	\$4,864.24
E0990	W/C ACCSRY, ELEVATING LEG REST, EACH	Sale Item Only	\$88.71
E0992	SOLID SEAT INSERT	Sale Item Only	\$77.14
E0995	W/C ACCSRY, CALF REST/PAD, EACH	Sale Item Only	\$30.40
E0997	CASTER WITH A FORK	Sale Item Only	\$66.51
E0998	CASTER W/O FORK	Sale Item Only	\$38.28
E0999	PNEUMATIC TIRE W/WHEEL	Sale Item Only	\$97.72
E1002	W/C POWER SEATING SYSTEM, TILT ONLY	Sale Item Only	\$4,113.02
E1003	W/C ACSSRY, POWER SEATING SYSTEM, RECLIN	Sale Item Only	\$4,391.30
E1004	W/C PWER SEATING SYSTM, RECLINE W/MECH	Sale Item Only	\$4,869.05
E1005	W/C ACCSRY, PWER SEATING SYSTEM, RECLIN	Sale Item Only	\$5,270.36
E1006	W/C ACCSRY, PWR SEATING SYSTEM COMBO TIL	Sale Item Only	\$6,455.70
E1007	W/C ACCSRY, PWR SEAT SYSTEM, COMBO TILT/	Sale Item Only	\$8,741.27
E1008	W/C ACCSRY, PWR SEAT SYSTEM, COMBO TILT/	Sale Item Only	\$8,742.05
E1010	W/C ACCSRY, ADD TO PWR SEAT, LEG ELEV EL	Sale Item Only	\$1,151.36
E1014	RECLINING BACK ADDITION FOR PED WHEELCHR	Sale Item Only	\$365.14
E1015	SHOCK ABSORBER FOR MANUAL WHEELCHAIR, EA	Sale Item Only	\$114.70
E1016	SHOCK ABSORBER FOR POWER WHEELCHAIR, EA	Sale Item Only	\$131.31
E1019	W/C ACCSRY, PWR SEAT HD FEATURE >250<400	Sale Item Only	\$447.26
E1020	RESIDUAL LIMB SUPPORT SYSTEM FOR WC	Sale Item Only	\$243.41
E1021	W/C ACCSRY, PWR SEAT XTR HD PT WT > 400L	Sale Item Only	\$324.16
E1025	LATRL THORACIC SUPPORT PED WC NONCONTOUR	Sale Item Only	\$125.35
E1026	LAT THORACIC SUPPORT PED WC, CONTOURED	Sale Item Only	\$192.90
E1027	LATERAL/ANTERIOR SUPPORT FOR PED WC, EA	Sale Item Only	\$275.06
E1028	WC ASSY RETRACTABLE/RMVBLE MOUNT HRDWRE	Sale Item Only	\$206.54
E1029	W/C ACCSRY, VENTILATOR TRAY, FIXED	Sale Item Only	\$369.54
E1030	W/C ACCSRY, VENTILATOR TRAY, GIMBALED	Sale Item Only	\$1,165.27
E1031	ROLLABOUT CHAIR, W/CASTORS 5" OR GREATER	\$50.38	\$604.56
E1037	TRANSPORT CHAIR, PEDIATRIC SIZE	\$108.49	\$1,084.90
E1038	TRANSPORT CHAIR, ADULT SIZE	\$40.01	\$400.10

EXHIBIT B1
HME/RT FEE SCHEDULE
MEDI-CAL ALLOWABLES
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HCPC Code	Item Description	Monthly Rent	Sale Price
E1130	STD WC, FIX ARM, FIXED/DET FOOTREST	\$31.28	\$281.14
E1161	MANUAL ADULT WHEELCHAIR, W/TILT IN SPACE	\$236.61	\$2,366.09
E1230	POWER OPER VEH(3/4 WHL NON-HWY)SPECS.	Sale Item Only	\$1,538.07
E1232	WC FOLDING PED, W/TILT IN SPACE W/SEAT	\$213.85	\$2,138.41
E1233	WC RIGID PED, W/TILT IN SPACE W/O SEAT	\$221.57	\$2,215.73
E1234	WC FOLDING PED, W/TILT IN SPACE W/O SEAT	\$192.91	\$1,928.95
E1235	WC RIGID PED, ADJUSTABLE W/SEATING SYSTM	\$185.75	\$1,857.43
E1236	WC FOLDING PED, ADJUSTABLE W/SEATING SYS	\$163.87	\$1,638.73
E1237	WC RIGID PED, ADJUSTABLE W/O SEATING SYS	\$165.30	\$1,653.05
E1238	WC FOLDING PED, ADJUST W/O SEATING SYSTM	\$172.37	\$1,723.55
E1250	LTWT WC, FIX ARM, DET FOOTREST	\$57.03	\$628.52
E1285	HD WC, FIX ARM, DET FOOTREST	\$96.00	\$1,440.00
E1296	SPECIAL WHEELCHAIR;SEAT HT FROM FLOOR	\$37.50	\$374.93
E1297	SPEC WC;SEAT DEPTH, BY UPHOLSTERY	\$9.42	\$72.09
E1298	SPEC WC;SEAT DEPTH/WIDTH BY CONSTRUCTION	\$32.56	\$325.53
E1340	REPAIR/NON ROUTINE SVC REQ TECH / 15 MIN	Sale Item Only	\$8.75
E1353	REGULATOR	\$18.88	\$97.98
E1355	STAND/RACK	\$5.90	\$43.62
E1390	OXYGEN CONCENTRATOR	\$183.04	Rental Item Only
E2000	GASTRIC SUCTION PUMP; PORT OR STATIONARY	\$39.49	\$473.86
E2202	MAN W/C ACSSRY, SEAT WIDTH =>24 <27 INCH	Sale Item Only	\$473.98
E2203	MAN W/C ACSSRY, SEAT DEPTH =>20 <22 INCH	Sale Item Only	\$479.05
E2204	MAN W/C ACSSRY, SEAT DEPTH =>22 <25 INCH	Sale Item Only	\$813.40
E2310	PWR W/C ACSSRY, ELECTRONIC CONNECTOR/ONE	Sale Item Only	\$1,170.24
E2311	PWR W/C ACSSRY, ELECTRONIC CONNECTOR/TWO	Sale Item Only	\$2,369.20
E2320	PWR W/C ACSSRY, HAND/CHIN CONTROL JOYSTI	Sale Item Only	\$998.38
E2321	PWR W/C ACSSRY, HAND CONTROL REMOTE JOYS	Sale Item Only	\$1,532.90
E2322	PWR W/C ACSSRY, HAND CONTROL, MULT SWITC	Sale Item Only	\$1,410.36
E2323	PWR W/C ACSSRY, SPECIAL JOYSTICK FOR HAN	Sale Item Only	\$64.64
E2324	PWR W/C ACSSRY, CHIN CUP FOR CHIN CONTRL	Sale Item Only	\$44.49
E2325	PWR W/C ACSSRY, SIP AND PUFF, W/HDWR	Sale Item Only	\$1,346.83
E2326	PWR W/C ACSSRY, BREATH TUBE KIT FOR SIP	Sale Item Only	\$319.60
E2327	PWR W/C ACSSRY, HEAD CONTROL, MECH W/HDW	Sale Item Only	\$2,306.14
E2328	PWR W/C ACSSRY, HEAD/EXTRM CONTROL W/HDW	Sale Item Only	\$3,877.32
E2329	PWR W/C ACSSRY, HEAD CNTRL CONTACT SWITC	Sale Item Only	\$1,730.31
E2330	PWR W/C ACSSRY, HEAD CNTRL, PROXIMITY SW	Sale Item Only	\$3,333.27
E2340	PWR W/C ACSSRY, SEAT WIDTH 20-23 INCHES	Sale Item Only	\$314.22
E2341	PWR W/C ACSSRY, SEAT WIDTH 24-27 INCHES	Sale Item Only	\$462.97
E2342	PWR W/C ACSSRY, SEAT DEPTH 20 OR 21 INCH	Sale Item Only	\$448.03
E2343	PWR W/C ACSSRY, SEAT DEPTH 22-25 INCHES	Sale Item Only	\$259.27
E2351	PWR W/C ACSSRY, ELECTRONIC INTERFACE SGD	Sale Item Only	\$558.90
E2360	PWR W/C ACSSRY, 22 NF NONSEAL LEAD BATTR	Sale Item Only	\$106.53
E2361	PWR W/C ACSSRY, 22 NF SEAL LEAD BATTERY	Sale Item Only	\$137.15
E2362	W/C ACSSRY, GROUP 24 NONSEALED LEAD BATT	Sale Item Only	\$90.44
E2363	W/C ACSSRY, GROUP 24 SEALED LEAD BATTERY	Sale Item Only	\$182.89

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HME/RT FEE SCHEDULE
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<i>HCPC Code</i>	<i>Item Description</i>	<i>Monthly Rent</i>	<i>Sale Price</i>
E2364	PWR W/C ACSSRY, U-1 NONSEAL LEAD BATTERY	Sale Item Only	\$106.53
E2365	PWR W/C ACSSRY, U-1 SEALED LEAD BATTERY	Sale Item Only	\$110.31
E2366	PWR W/C ACSSRY, BATTERY CHARGER SINGLE M	Sale Item Only	\$263.62
E2367	PWR W/C ACSSRY, BATTERY CHARGER DUAL MODE	Sale Item Only	\$263.62
K0001	STD WHEELCHAIR	\$54.62	\$655.44
K0002	STD HEMI (LOW SEAT) WHEELCHAIR	\$72.66	\$871.92
K0003	LTWT WHEELCHAIR	\$78.65	\$943.80
K0004	HS,LTWT WHEELCHAIR	\$113.59	\$1,363.08
K0005	ULTRALTWT WHEELCHAIR	Sale Item Only	\$1,817.84
K0006	HD WHEELCHAIR	Sale Item Only	\$1,279.20
K0007	EXTRA HD WHEELCHAIR	Sale Item Only	\$2,034.00
K0010	STD WT FRAME MTR/PWR WHEELCHAIR	Sale Item Only	\$4,259.90
K0011	STD WT FRAME MTR/PWR W/C W/PROG CTL	Sale Item Only	\$5,046.00
K0012	LTWT PORT MTR/PWR WHEELCHAIR	Sale Item Only	\$3,095.10
K0015	DET, NON-ADJ HT ARMREST, EA	Sale Item Only	\$178.67
K0017	DET, ADJ HT ARMREST; BASE, EA	Sale Item Only	\$50.25
K0018	DET, ADJ HT ARMREST; UPPER PORTION, EA	Sale Item Only	\$28.09
K0019	ARM PAD, EA	Sale Item Only	\$17.24
K0020	FIXED, ADJ HT ARMREST, PR	Sale Item Only	\$45.67
K0037	HIGH MOUNT FLIP-UP FOOTREST, EA	Sale Item Only	\$48.16
K0038	LEG STRAP, EA	Sale Item Only	\$23.84
K0039	LEG STRAP, H STYLE, EA	Sale Item Only	\$52.89
K0040	ADJ ANGLE FOOTPLATE, EA	Sale Item Only	\$73.41
K0041	LARGE SIZE FOOTPLATE, EA	Sale Item Only	\$52.05
K0042	STD SIZE FOOTPLATE, EA	Sale Item Only	\$30.97
K0043	FOOTREST, LOWER EXT TUBE, EA	Sale Item Only	\$19.20
K0044	FOOTREST, UPPER HANGER BRACKET, EA	Sale Item Only	\$16.37
K0045	FOOTREST, COMPLETE ASSEMBLY	Sale Item Only	\$56.62
K0046	ELEV LEGREST; LOWER EXT TUBE, EA	Sale Item Only	\$19.20
K0047	ELEV LEGREST; UPPER HANGER BRACKET, EA	Sale Item Only	\$75.18
K0050	RATCHET ASSM	Sale Item Only	\$31.96
K0051	CAM RELEASE ASSY, FOOTREST/LEGREST, EA	Sale Item Only	\$51.72
K0052	SWINGAWAY, DETACH FOOTRESTS, EA	Sale Item Only	\$90.90
K0053	ELEV FOOT, ARTICULATING (TELESCOPING), EA	Sale Item Only	\$100.31
K0056	SEAT HT, 21" & GREATER, OR BLW 17", HSLTWT	Sale Item Only	\$93.51
K0059	PLASTIC COATED HANDRIM, EA	Sale Item Only	\$31.19
K0060	STEEL HANDRIM, EA	Sale Item Only	\$27.30
K0061	ALUMINUM HANDRIM, EA	Sale Item Only	\$38.71
K0064	ZERO PRESS TUBE (FLT FREE INSR), ANY SZ, EA	Sale Item Only	\$29.91
K0066	SOLID TIRE, ANY SIZE, EA	Sale Item Only	\$28.52
K0067	PNEUMATIC TIRE, ANY SIZE, EA	Sale Item Only	\$40.91
K0068	PNEUMATIC TIRE TUBE, EA	Sale Item Only	\$5.78
K0069	REAR WHEEL ASSY, COMP; W/SLD TIRE. SP/M, EA	Sale Item Only	\$98.23
K0070	REAR WHEEL ASSY, COMP; W/PNEU TIR, SP/M, EA	Sale Item Only	\$180.11
K0071	FRONT CASTER ASSY, COMP; W/PNEU TIR, EA	Sale Item Only	\$107.41

EXHIBIT B1
HME/RT FEE SCHEDULE
MEDI-CAL ALLOWABLES
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<i>HCPC Code</i>	<i>Item Description</i>	<i>Monthly Rent</i>	<i>Sale Price</i>
K0072	FRONT CASTER ASSY,COMP,W/S-PNEU TIRE,EA	Sale Item Only	\$64.66
K0073	CASTER PIN LOCK,EA	Sale Item Only	\$32.90
K0074	PNUEMATIC CASTER TIRE,ANY SZ,EA	Sale Item Only	\$36.00
K0075	S-PNEUMATIC CASTER TIRE,ANY SZ,EA	Sale Item Only	\$41.85
K0076	SOLID CASTER TIRE,ANY SZ,EA	Sale Item Only	\$25.12
K0077	FRONT CASTER ASSY,COMP,W/SOL TIRE,EA	Sale Item Only	\$57.84
K0078	PNEUMATIC CASTER TIRE TUBE,EA	Sale Item Only	\$9.45
K0081	WHEEL LOCK ASSY,COMPLETE,EA	Sale Item Only	\$40.01
K0090	REAR WHEEL TIRE FOR POWER WC,ANY SZ,EA	Sale Item Only	\$74.90
K0091	REAR WHEEL TIRE TUBE NOT 0 PRESS PWR,EA	Sale Item Only	\$20.41
K0092	REAR WHEEL ASSY FOR PWR WC, COMPLETE,EA	Sale Item Only	\$239.06
K0093	REAR WHEEL,0 PRESS TIRE TUBE,PWR WC,EA	Sale Item Only	\$149.34
K0094	WHEEL TIRE FOR POWER BASE,ANY SZ,EA	Sale Item Only	\$48.67
K0095	WHEEL TIRE TUBE OTHER THAN 0 PRESS,EA	Sale Item Only	\$48.67
K0096	WHEEL ASSY FOR POWER BASE,COMPLETE,EA	Sale Item Only	\$269.70
K0097	WHEEL 0 PRESS TIRE TUBE FOR POWER B,EA	Sale Item Only	\$59.64
K0098	DRIVE BELT FOR POWER WHEELCHAIR	Sale Item Only	\$25.96
K0099	FRONT CASTER FOR POWER WHEELCHAIR	Sale Item Only	\$79.57
K0102	CRUTCH AND CANE HOLDER	Sale Item Only	\$42.62
K0104	CYLINDER TANK CARRIER,EA	Sale Item Only	\$116.80
K0105	IV HANGER,EA	Sale Item Only	\$97.76
K0106	ARM TROUGH,EA	Sale Item Only	\$105.39
K0195	ELEVATING LEG RESTS, PAIR	Sale Item Only	\$246.60
K0452	WHEELCHAIR BEARINGS, ANY TYPE	Sale Item Only	\$5.24
K0455	INFUSION PUMP FOR UNINTERRUPTED ADMIN	\$211.90	\$3,178.50
K0552	SUPPLIES FOR EIP, SINGLE CARTRIDGE, STER	Sale Item Only	\$2.09
K0601	BATTERY F/INFUSION PUMP,SILVER OXIDE 1.5	Sale Item Only	\$0.88
K0602	BATTERY F/INFUSION PUMP, SILVER OXIDE 3V	Sale Item Only	\$5.09
K0603	BATTERY F/INFUSION PUMP, ALKALINE 1.5VLT	Sale Item Only	\$0.46
K0604	BATTERY F/INFUSION PUMP, LITHIUM 3.6VLT	Sale Item Only	\$4.87
K0605	BATTERY F/INFUSION PUMP, LITHIUM 4.5 VLT	Sale Item Only	\$11.68

MEDICAL SUPPLIES

For each item listed above, only the types and quantities of medical supplies specified in the Apria Essential Care Model for such item are to be provided by APRIA HEALTHCARE and included in the pricing set forth in this fee schedule. APRIA HEALTHCARE shall provide additional quantities of such medical supplies at APRIA HEALTHCARE's retail price less the discount as set forth under Non-Listed Items. APRIA HEALTHCARE shall not be required to provide medical supplies other than as described in this note.

EXHIBIT B2
HME/RT FEE SCHEDULE
NON-MEDI-CAL ALLOWABLES
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The following rates include professional and ancillary items necessary to provide high quality home respiratory and medical equipment care, as set forth in APRIA HEALTHCARE's Essential Care Model, which may be amended from time to time, including, but not limited to, the following:

- 1) Home medical equipment and/or home respiratory equipment;
- 2) Ancillary supplies related to the equipment provided; and
- 3) Initial respiratory assessment, training and routine follow-up.

Ancillary equipment, additional supplies and deliveries beyond those listed in the Essential Care Model and fees as set forth below will be invoiced in addition to the following rates.

<i>HCP Code</i>	<i>Item Description</i>	<i>Monthly Rent</i>	<i>Sale Price</i>
OXYGEN & RELATED RESPIRATORY EQUIPMENT			
E0431QH	Gaseous Oxygen System, Portable with conserving device	\$44.00	Rental Item Only
S8120	Oxygen Contents, Gaseous, 1 unit equals 1 cubic foot	Sale Item Only	\$0.88
E0439	Liquid Oxygen System, Stationary with oxygen contents	\$270.00	Rental Item Only
E0439QG	Liquid Oxygen System, Stationary with oxygen contents, greater than 4 LPM	\$405.00	Rental Item Only
E0434QH	Liquid Oxygen System, Portable with conserving device	\$55.00	Rental Item Only
E0443	Oxygen Contents, Gaseous (for use only with portable gaseous systems when no stationary gas or liquid system is used) 1 month's supply = 1 unit.	Sale Item Only	\$31.00
E0444	Oxygen Contents, Liquid (for use only with portable liquid systems when no stationary gas or liquid system is used) 1 month's supply = 1 unit.	Sale Item Only	\$31.00
E0571	Nebulizer, with Compressor, Battery powered	Sale Item Only	\$623.00
E0450TW	Volume Ventilator, Back-up	\$704.00	Rental Item Only
E0454	Pressure Support Ventilator	\$1,365.00	Rental Item Only
E0454TW	Pressure Support Ventilator, Back-up	\$1,365.00	Rental Item Only
E0460	Negative Pressure Ventilator, Portable or Stationary	\$896.00	Rental Item Only
E0565	Compressor, Air	\$42.00	\$875.00
E0482	Cough Stimulating Device	\$504.00	Rental Item Only
E0445	Pulse Oximeter	\$315.00	Rental Item Only
99503	Respiratory Therapist Visit	Sale Item Only	\$90.00
OXYGEN & RELATED RESPIRATORY SUPPLIES*			
A4483	Moisture Exchanger, Disposable for Ventilator	Sale Item Only	\$4.83
A4614	Peak Flow Meter	Sale Item Only	\$27.00
A7525	Tracheostomy Mask	Sale Item Only	\$2.52
A7526	Tracheostomy Collar or Holder	Sale Item Only	\$4.48
A7520	Tracheostomy Tube, non-cuffed (Custom tubes not included)	Sale Item Only	\$71.40
A7521	Tracheostomy Tube, cuffed (Custom tubes not included)	Sale Item Only	\$92.80
A4623	Tracheostomy Inner Cannula	Sale Item Only	\$5.96
A4625	Tracheostomy Care Kit, for established tracheostomy	Sale Item Only	\$4.91
A4629	Tracheostomy Care Kit, for new tracheostomy	Sale Item Only	\$3.47
A4628	Oropharyngeal Suction Catheter	Sale Item Only	\$2.78
A7003	Admin Set for Nebulizer, disposable	Sale Item Only	\$2.18
A7013	Filter, Disposable, for Aerosol Compressor	Sale Item Only	\$2.82

EXHIBIT B2
HME/RT FEE SCHEDULE
NON-MEDI-CAL ALLOWABLES
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<i>HCPC Code</i>	<i>Item Description</i>	<i>Monthly Rent</i>	<i>Sale Price</i>
OXYGEN & RELATED RESPIRATORY SUPPLIES* (CONTINUED)			
A7015	Aerosol Mask, for Nebulizer	Sale Item Only	\$1.49
S8186	CPAP Valve, Whisper Swivel	Sale Item Only	\$22.00
PHOTOTHERAPY BILIRUBIN LIGHT			
E0202	Phototherapy Bilirubin Light	\$58.00 Per Day	Rental Item Only
ENTERAL NUTRITION*			
B4150 - B4156	Enteral Formula	Sale Item Only	AWP
S9343	Enteral Per Diem - via bolus	Sale Item Only	\$20.00
S9341	Enteral Per Diem - via gravity	Sale Item Only	\$20.00
S9342	Enteral Per Diem - via pump	Sale Item Only	\$25.00
S9470	Registered Dietitian Consultation	Sale Item Only	\$90.00
Per Diem includes all ancillary supplies related to the administration of the therapy (i.e., feed bags, pole, administration sets, pump, buttons, extension sets, NG or G tubes).			
HOSPITAL BEDS & ACCESSORIES			
E0260	Hospital Bed, Semi-Electric with mattress & rails	\$100.00	\$1,212.00
E0265	Hospital Bed, Full Electric with mattress & rails	\$118.00	\$1,443.00
E0193	Powered Air Flotation Bed (Low Air Loss Therapy)	\$1,289.00	Rental Item Only
WHEELCHAIRS			
E1240	Lightweight Wheelchair, DA / ELR	\$63.00	\$918.00
E1260	Lightweight Wheelchair, DA / DFR	\$56.00	\$702.00
E1140	Standard Wheelchair, DA / DFR	\$37.00	\$381.00
E1150	Standard Wheelchair, DA / ELR	\$42.00	\$515.00
E1180	Amputee Wheelchair, DA / DFR	\$84.00	\$951.00
E1190	Amputee Wheelchair, DA / ELR	\$88.00	\$989.00
E1060	Full-reclining Wheelchair, DA / ELR	\$106.00	\$1,136.00
E1070	Full-reclining Wheelchair, DA / DFR	\$96.00	\$1,078.00
E1084	Hemi Wheelchair, DA / ELR	\$78.00	\$869.00
E1086	Hemi Wheelchair, DA / DFR	\$67.00	\$836.00
E1088	High-Strength Lightweight Wheelchair, DA / ELR	\$98.00	\$925.00
E1090	High-Strength Lightweight Wheelchair, DA / DFR	\$88.00	\$855.00
E1092	Extra wide, Heavy duty Wheelchair, DA / ELR	\$114.00	\$1,124.00
E1093	Extra wide, Heavy duty Wheelchair, DA / DFR	\$98.00	\$988.00
E1280	Heavy duty Wheelchair, DA / ELR	\$92.00	\$935.00
E1290	Heavy duty Wheelchair, DA / DFR	\$82.00	\$875.00
E1220 - E1228	Wheelchair, specially sized or constructed (subject to Footnote #14 of this fee schedule)	Sale Item Only	Negotiated case by case
Legend: DA= Detachable Arms ELR = Elevating Leg Rests DFR = Detachable Foot Rests			
COMMODOES*			
E0165	Commode Chair, Stationary with detachable arms	Sale Item Only	\$146.00
<i>HCPC</i>	<i>Description</i>	<i>Billing Unit</i>	<i>Sale Price</i>
RESPIRATORY THERAPY MEDICATIONS*			
E0590	Dispensing Fee	ea	\$5.00
Manufactured Drugs			
J7051	Saline up to 5cc	up to 5cc	\$0.13
A4216	Sterile Water/Saline, per 10ml	per 10ml	\$0.33
J7608KO	Acetylcysteine U/D per gram	per gram	\$5.33

EXHIBIT B2
HME/RT FEE SCHEDULE
NON-MEDI-CAL ALLOWABLES

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<i>HCPC Code</i>	<i>Item Description</i>	<i>Monthly Rent</i>	<i>Sale Price</i>
<i>HCPC</i>	<i>Description</i>	<i>Billing Unit</i>	<i>Sale Price</i>
RESPIRATORY THERAPY MEDICATIONS* (CONTINUED)			
Manufactured Drugs			
J7618	Albuterol Sol. per mg	per mg	\$0.13
J7619KO	Albuterol U/D per mg	per mg	\$0.39
J7622KO	Beclomethasone U/D per mg	per mg	\$0.58
J7624KO	Betamethasone U/D per mg	per mg	\$0.54
J7626KO	Budesonide U/D per unit .25mg - .50mg	per unit	\$4.04
J7633	Budesonide solution concentrated form per .25mg	per .25 mg	\$0.05
J7635	Atropine Sol. per mg	per mg	\$0.33
J7636KO	Atropine U/D per mg	per mg	\$0.46
J7631KO	Cromolyn U/D per 10mg	per 10mg	\$0.30
J7637	Dexamethasone Sol. per mg	per mg	\$0.09
J7638KO	Dexamethasone U/D per mg	per mg	\$0.16
J7639KO	Dornase U/D per mg	per mg	\$14.92
J7641KO	Flunisolide U/D per mg	per mg	\$0.71
J7642	Glycopyrrolate Sol. per mg	per mg	\$0.50
J7643KO	Glycopyrrolate U/D per mg	per mg	\$0.83
J7644KO	Ipratropium U/D per mg	per mg	\$2.82
J7668	Metaproterenol Sol. per 10mg	per 10mg	\$0.22
J7669KO	Metaproterenol U/D per 10mg	per 10mg	\$0.98
J7680	Terbutaline Sol. per mg	per mg	\$26.30
J7681KO	Terbutaline U/D per mg	per mg	\$26.41
J7683	Triamcinolone Sol. per mg	per mg	\$0.10
J7684KO	Triamcinolone U/D per mg	per mg	\$0.17
J7682KO	Tobramycin U/D 300 mg	300 mg	\$44.08
Compounded Drugs			
J7051	Saline up to 5cc	up to 5cc	\$0.13
A4216	Sterile Water/Saline, per 10ml	per 10ml	\$0.33
J7608KP	Acetylcysteine U/D per gram	per gram	\$5.33
J7608KQ	Acetylcysteine U/D per gram	per gram	\$5.02
J7619KP	Albuterol U/D per mg	per mg	\$0.39
J7619KQ	Albuterol U/D per mg	per mg	\$0.12
J7621	Albuterol, 5mg, all formulations, including Xopenex, up to 5 mg of albuterol or 2.5 mg of levalbuterol, and ipratropium bromide, up to 1 mg, compounded inhalation solution	per unit	\$3.40
J7622KP	Beclomethasone U/D per mg	per mg	\$0.58
J7622KQ	Beclomethasone U/D per mg	per mg	\$0.07
J7624KP	Betamethasone U/D per mg	per mg	\$0.54
J7624KQ	Betamethasone U/D per mg	per mg	\$0.04
J7626KP	Budesonide U/D per unit .25mg - .50mg	per unit	\$4.04
J7626KQ	Budesonide U/D per unit .25mg - .50mg	per unit	\$0.05
J7636KP	Atropine U/D per mg	per mg	\$0.46
J7636KQ	Atropine U/D per mg	per mg	\$0.33
J7631KP	Cromolyn U/D per 10mg	per 10mg	\$0.30
J7631KQ	Cromolyn U/D per 10mg	per 10mg	\$0.25

EXHIBIT B2
HME/RT FEE SCHEDULE
NON-MEDI-CAL ALLOWABLES

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<i>HCPC Code</i>	<i>Item Description</i>	<i>Monthly Rent</i>	<i>Sale Price</i>
<i>HCPC</i>	<i>Description</i>	<i>Billing Unit</i>	<i>Sale Price</i>
RESPIRATORY THERAPY MEDICATIONS* (CONTINUED)			
Compounded Drugs			
J7638KP	Dexamethasone U/D per mg	per mg	\$0.16
J7638KQ	Dexamethasone U/D per mg	per mg	\$0.09
J7639KP	Dornase U/D per mg	per mg	\$14.92
J7639KQ	Dornase U/D per mg	per mg	\$14.87
J7641KP	Flunisolide U/D per mg	per mg	\$0.71
J7641KQ	Flunisolide U/D per mg	per mg	\$0.46
J7643KP	Glycopyrrolate U/D per mg	per mg	\$0.83
J7643KQ	Glycopyrrolate U/D per mg	per mg	\$0.50
J7644KP	Ipratropium U/D per mg	per mg	\$2.82
J7644KQ	Ipratropium U/D per mg	per mg	\$2.58
J7669KP	Metaproterenol U/D per 10mg	per 10mg	\$0.98
J7669KQ	Metaproterenol U/D per 10mg	per 10mg	\$0.22
J7681KP	Terbutaline U/D per mg	per mg	\$26.43
J7681KQ	Terbutaline U/D per mg	per mg	\$26.30
J7684KP	Triamcinolone U/D per mg	per mg	\$0.17
J7684KQ	Triamcinolone U/D per mg	per mg	\$0.10
J7682KP	Tobramycine U/D 300 mg	300 mg	\$44.08
SPECIAL DELIVERY AND REPAIR			
Delivery or clinical service to high risk areas requiring escort for extra protection.		S9381	\$105.00
Delivery or clinical service outside of a 30-mile radius of APRIA HEALTHCARE's local facility, before 8 a.m. or after 6 p.m., Monday through Friday; any time on Saturdays, Sundays and holidays; in excess of standard delivery frequencies; and when APRIA HEALTHCARE has been asked to deliver the items or clinical services within 4 hours after order is taken; house to house transfer and delivery of equipment; or delivery to a nonresidential address such as an airport, cruise dock, or workplace.		A9901	\$55.00
Repairs or maintenance of items sold pursuant to this Agreement (if the parties have entered into a maintenance agreement, the fees set forth in that agreement will apply to maintenance items)		E1340	Labor at \$15.00 per 15 minutes
Sales Tax		S9999	As applicable by state law
MEDICAL SUPPLIES			
For each item listed above, only the types and quantities of medical supplies specified in the Apria Essential Care Model for such item are to be provided by APRIA HEALTHCARE and included in the pricing set forth in this fee schedule. APRIA HEALTHCARE shall provide additional quantities of such medical supplies at APRIA HEALTHCARE's retail price less the discount as set forth under Non-Listed Items. APRIA HEALTHCARE shall not be required to provide medical supplies other than as described in this note.			

EXHIBIT B3
NON-LISTED DISCOUNT AND NOTES
HME/RT FEE SCHEDULE
[Page 1 of 2]

NON - LISTED ITEMS

For items of home healthcare products and related services not listed elsewhere in this exhibit, but stocked in APRIA HEALTHCARE's local branch, or quantities greater than those listed in APRIA HEALTHCARE's Essential Care Model, or products other than the manufacturer listed in this Exhibit:

Rental items are discounted at twenty-five percent (25%) off of APRIA HEALTHCARE's retail rental rates.

Sale items are discounted at twenty-five percent (25%) off of APRIA HEALTHCARE's retail sale rates.

NOTES:

- (1) APRIA HEALTHCARE reserves the right to discontinue or withdraw any specific manufacturer product without notice or further obligation. In the event of a temporary suspension of product distribution, APRIA HEALTHCARE further reserves the right, at APRIA HEALTHCARE's discretion, to substitute a product of comparable functionality for that which is listed in this exhibit.
- (2) For items denoted with an asterisk (*), the Plan Member may pick up the item at the local branch or, in those instances in which no patient instruction is needed, APRIA HEALTHCARE may ship the item via U.P.S. or similar carrier.
- (3) Rental Equipment is not subject to cap: PLAN agrees to pay the monthly rental charge for all items rented under this Agreement for the entire period of time that the item is rented. The parties agree that the rental payments for any item under this Agreement will not be capped or reduced at any time.
- (4) Option to Purchase Rental Equipment: If APRIA HEALTHCARE agrees to sell an item of rental equipment even though no contractual purchase right exists, PLAN may purchase the actual piece of equipment being rented at any time after the first one-month rental cycle at the purchase price listed above minus a credit equal to one month's rental charge. Subject to payment of the purchase price and all accrued rental charges, ownership of or "title to" the item shall transfer to PLAN on the first day of the next rental cycle beginning after APRIA HEALTHCARE receives notice that PLAN is exercising the purchase right. All unpaid rental charges accruing prior to the date of transfer shall still be due and owing by PLAN. If the purchase price and outstanding rental charges are not paid within sixty days after the date of transfer, APRIA HEALTHCARE may, at its sole option, reverse the transfer, in which event PLAN shall be responsible for rental charges as if the purchase right had never been exercised, and no further purchase right shall apply with respect to the item of equipment in question. In the event of a purchase, PLAN shall become and thereafter remain responsible for all care for the Plan Member utilizing the equipment, including repair and maintenance of the equipment, responding in emergency situations and meeting all the Plan Member's clinical needs. Any transferable manufacturer's warranty shall be transferred by APRIA HEALTHCARE to PLAN, but the transfer shall otherwise be without warranty or representation of any nature, warranties of merchantability and fitness for a particular purpose, as well as any other implied warranties, having been expressly disclaimed hereby. PLAN agrees that it shall indemnify and hold APRIA HEALTHCARE harmless from any and all claims arising in connection with any rental equipment purchased by PLAN.
- (5) Gaseous/liquid oxygen systems (HCPCs E0424, E0431, E0431QH, E0434, E0434QH and E0439), oxygen concentrators (HCPC E1390) and ventilators (including HCPCs E0450, E0450TW, E0454, E0454TW, E0460, E0461, E0471 and E0472), are continuous rental items only, are not subject to cap and cannot be purchased.
- (6) Replacement Equipment: When APRIA HEALTHCARE provides replacement equipment for equipment that has been purchased by PLAN, PLAN shall compensate APRIA HEALTHCARE for such replacement equipment, in accordance with the fee schedule, an amount equal to one month's rental charge for each complete or partial month the replacement equipment is provided.

EXHIBIT B3
NON-LISTED DISCOUNT AND NOTES
HME/RT FEE SCHEDULE
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- (7) Upon the purchase of any equipment from APRIA HEALTHCARE, APRIA HEALTHCARE shall be deemed to have transferred to PLAN the benefits of all warranties supplied by the manufacturer of the equipment that may be in existence at the time of said purchase. APRIA HEALTHCARE expressly disclaims all other warranties of any nature, including but not limited to, express or implied warranties of merchantability or fitness for a particular purpose. APRIA HEALTHCARE shall not in any way, under any warranty, be liable to PLAN for consequential or incidental damages and expenses to person or property.
- (8) CPAP (HCPC E0601) rentals will convert to sale after the second month of rental. APRIA HEALTHCARE will apply two (2) months' rental payment towards the purchase price of the CPAP. Notwithstanding the foregoing, if Medicare is the Plan Member's primary payor, Medicare guidelines and regulations will control with respect to rental caps on CPAP rentals/purchases. CPAP pricing is based upon one CPAP Plan Member set-up visit at the APRIA HEALTHCARE branch clinic, and one CPAP Plan Member follow-up visit at the APRIA HEALTHCARE branch clinic. Respiratory therapists' visits in the home for the purpose of CPAP set-up shall be billed in accordance with the charges listed above.
- (9) Nebulizers (HCPC E0570) are sale items only. However, if Medicare is the Plan Member's primary payor, Medicare guidelines and regulations will control with respect to rental of nebulizers and rental caps on nebulizer rentals/purchases.
- (10) If a Plan Member is prescribed a ventilator that is for use in excess of twelve (12) hours a day or if a Plan Member cannot breathe independently for four (4) consecutive hours, then that Plan Member will be provided with a "back-up" system that is selected by PLAN and approved by the Plan Member's physician. PLAN agrees to pay APRIA HEALTHCARE, in addition to the monthly rental charge for the primary ventilator, an additional charge (in accordance with the charges listed above) for the "back-up" system (HCPC E0450TW or E0454TW).
- (11) For those Plan Members who are receiving oxygen therapy billed with oxygen contents and have a prescribed liter flow in excess of four (4) liters per minute, APRIA HEALTHCARE will charge PLAN, and PLAN will pay APRIA HEALTHCARE, one hundred and fifty percent (150%) of the listed price for such oxygen therapy (E0439QG).
- (12) A fee of \$90.00 per visit (up to 2 hours) (CPT code 99503) will be charged for all non-routine respiratory therapy visits requested. Non-routine visits are visits provided in accordance with a physician's plan of care and include but are not limited to the following: pulse oximetry testing unless included in APRIA HEALTHCARE's standard of care or included as a covered service in this Agreement, and patient evaluation for an oxygen conserving device and assessments.
- (13) Respiratory Therapist and Registered Dietitian rates for visits listed in Exhibit B2 shall be in effect for the first year of the Agreement. After the first year, and annually thereafter, these rates shall be adjusted each March to reflect a 5% increase or shall be based on the rate reflected in the December Consumer Price Index for All Urban Consumers, U.S. City Average for Medical Care Services as published by U.S. Department of Labor Bureau of Labor Statistics, whichever is less. Adjustment of such rates shall be submitted in writing to PLAN thirty (30) days prior to the rate adjustment.
- (14) Customized, patient-specific, special-order, highly technical rehabilitation equipment and motorized wheelchairs are sale items only and are only available in selected APRIA HEALTHCARE locations. The price for each such item will be negotiated on a case by case basis and agreed upon by the parties prior to the sale of such item and will be billed under HCPC E1220 - E1228. Customized, patient-specific wheelchairs shall be defined as any chair (power or manual) that requires special accessories, sizing or seating to achieve effective seating balance, pressure relief, safety and/or mobility for the specific patient for whom it is ordered.

CLEAN CLAIM

Clean Claim = a paper CMS 1500 form or preferably an electronic equivalent which accurately reflects the following information (not in any particular order):

1. Provider name and provider tax ID number
2. Plan Member's identification number (SS#/insured ID)
3. Date of birth
4. Sex
5. Plan Member's first and last name
6. Other health insurance , if available
7. Whether condition is related to an accident or injury, if available
8. Diagnostic code (ICD-9)
9. Description of diagnosis
10. Charges per service and total of charges
11. Place of service (code)
12. Remit to address
13. Procedure codes (plus modifiers if necessary)
14. Referral or authorization number. (A copy of the authorization referral form from PLAN should be attached to the claim.)
15. Date of service
16. Type of service
17. Units/count
18. Plan Member's relationship to insured
19. Plan Member's address and phone #

Paper claims must be signed and dated.

****PLEASE NOTE THAT**
ANY CLAIMS THAT ARE NOT SIGNED AND DATED
WILL BE CONSIDERED INCOMPLETE AND DENIED**