

COMMUNITY MEMORIAL HEALTH SYSTEM  
AFFILIATION AGREEMENT

This Community Memorial Health System Affiliation Agreement dated ("Agreement") is made and entered into effective June 15, 2024, by and between the County of Ventura, a political subdivision of the State of California ("COUNTY"), and Community Memorial Health System ("CMH") for the use and benefit of its Department of Resident Services.

RECITALS

WHEREAS, CMH operates or participates in Accreditation Council for Graduate Medical Education ("ACGME") accredited residency programs that provide education, training, and clinical experience to participating resident physicians ("CMH Residents");

WHEREAS, CMH participates in an agreement with Western University of Health Sciences (WesternU) to provide clinical experience as a required and integral component for the curriculum and professional preparation for Doctor of Osteopathic Medicine third (3<sup>rd</sup>) year medical students ("Students");

WHEREAS, CMH desires to send CMH Residents to COUNTY for clinical instruction and experience, as outlined in the Program Letter of Agreement ("PLA"), between CMH and County;

WHEREAS, CMH desires to send Students to COUNTY for clinical instruction and experience;

WHEREAS, CMH bears, and has always borne the costs of salaries and benefits for CMH Residents while they are at COUNTY;

WHEREAS, COUNTY bears some costs of teaching CMH Residents at COUNTY;

WHEREAS, CMH makes claims to the Medicare program for payment for graduate medical education and desires to include time spent by CMH Residents in COUNTY facilities as part of the calculation used to make claims to the Medicare program for payment for graduate medical education;

WHEREAS, COUNTY will not make claims to the Medicare program for payment for time spent by CMH Residents in COUNTY facilities; and

WHEREAS, CMH and COUNTY desire to define their respective business obligations and duties to the other and establish a written structure for their continued relationship and cooperation to supplement the clinical and academic obligations outlined in the PLA.

NOW, THEREFORE, in consideration of the foregoing premises and the covenants and agreements hereinafter set forth, CMH and COUNTY agree as follows:

**I. RESPONSIBILITIES OF CMH AND COUNTY**

1. CMH, in conjunction with COUNTY shall orient all CMH Residents and Students referred to COUNTY to those COUNTY policies, rules and regulations identified

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by COUNTY and provided to CMH in writing. COUNTY will provide the CMH Residents and Students with training on its electronic health record ("EHR") system.

2. CMH shall require that all individual CMH Residents and Students utilizing COUNTY facilities carry an adequate amount of professional liability insurance (minimum \$1,000,000 per occurrence / \$3,000,000 aggregate) which will cover any malpractice claim resulting from carrying out their functions at COUNTY, and CMH shall provide documentation of same to COUNTY.
3. CMH shall require that all CMH Residents and Students referred to COUNTY institutions pursuant to this Agreement carry health insurance coverage under CMH's health insurance program or under a comparable accident and sickness health insurance plan.
4. CMH shall provide worker's compensation insurance coverage for all CMH Residents referred to COUNTY institutions pursuant to this Agreement to the extent required by law, and CMH shall provide documentation of same.
5. COUNTY shall provide emergency health care for any Student who becomes sick or injured by conditions arising out of or in the course of said Student's participation in the clinical/field experience at COUNTY. In the case of suspected or confirmed exposure to the human immuno-deficiency virus or hepatitis, such follow-up care shall be consistent with the current guidelines of the Centers for Disease Control and the community's standard of care. The initial care and administration of testing and prophylactic therapy shall be paid for by COUNTY. Costs for subsequent care shall be paid by the Student and/or WesternU.
6. CMH personnel, CMH Residents, and Students shall be obligated to adhere to the policies, regulations and procedures of COUNTY.
7. CMH shall immediately upon request from COUNTY remove any CMH Resident or Student placed at COUNTY's facilities pursuant to this Agreement.
8. CMH agrees that every CMH Resident or Student participating in the program at COUNTY shall be subject to (1) criminal background checks, (2) alcohol/drug screening, (3) debarment and sanction checks for federal and state programs (Medicare/Medi-Cal), and (4) "primary source of licensure" (if required for the person) prior to participating in clinical programs at COUNTY, performed by CMH.
9. CMH shall ensure that, prior to clinical placement at a COUNTY institution, each CMH Resident or Student sent shall (1) be skin tested for tuberculosis with a PPD test yearly, (2) receive annual influenza vaccination or written proof of declination, and (3) provide documentation of required immunization as follows: Measles, Mumps, and Rubella; Tetanus/Diphtheria booster; Chickenpox and Rubella and/or a positive titer documented by laboratory testing.
10. CMH shall ensure that prior to clinical placement at either institution, each CMH Resident or Student has taken or declined the Hepatitis B series and has had instruction in occupational exposure to blood borne pathogens, protective practices to avoid contamination, and procedures for decontamination in case of

exposure, or potential exposure to infectious materials or potentially infectious materials.

11. CMH shall ensure that any increase in the number of CMH Residents assigned to rotations at COUNTY will be presented to the COUNTY Designated Institutional Official for consideration. Any proposed increase will require the approval of the Ventura County Medical Center Graduate Medical Education Committee.
12. COUNTY has the right to audit clinical practice, certifications, and clinical documentation of CMH as determined by COUNTY, for the term of this Agreement.
13. The parties acknowledge that CMH is incurring the cost of the CMH Residents' salaries and fringe benefits while the CMH Residents are training at a COUNTY institution. The parties further acknowledge that CMH shall pay the costs incurred by COUNTY attributable to GME Activities performed for the CMH Residents, as detailed in Exhibit 1 to this Agreement. For the purposes of this Agreement, "GME Activities" shall mean general clinical didactic training or assessment of the CMH Resident's performance that does not relate to or involve the diagnosis or treatment of a particular patient. "GME Activities" do not include any time spent treating COUNTY patients, or any instruction relating to the diagnosis or treatment of a particular patient, before, during, or after the patient encounter. The parties acknowledge that COUNTY is not responsible for any salary or fringe benefit costs for Students.
14. Each party shall determine the content of, the manner of presentation and all other academic and administrative aspects of the CMH Residents' learning experiences at their institution pursuant to the PLA, except as otherwise provided herein.
15. COUNTY shall have sole responsibility for establishing the policies, regulations and procedures applicable to its operations and activities, and shall notify CMH of all policies, regulations and procedures, which it expects the CMH Residents and Students to adhere to while on the premises or conducting activities in COUNTY facilities. COUNTY may notify the CMH Residents and Students directly without prior notice to CMH of policies, regulations and procedures if circumstances prevent such prior notice.
16. Each party shall maintain its facilities in compliance with applicable local, state and federal laws and regulations.
17. Each party's administration and personnel recognize the responsibility to maintain a learning environment of high quality in which sound educational experiences can occur.
18. Each party has the responsibility for adequate direction and supervision of its care staff and the provision of high standards of professional care.
19. COUNTY will provide learning opportunities for the assigned CMH Residents and Students at its institution. The emphasis shall be on education rather than services without disruption of usual institutional activities.

20. The Designated Institutional Officials and the respective Residents Department Director(s) will be the principal contacts between COUNTY and CMH for purposes of administration of this Agreement.
21. County may at its discretion remove or restrict any CMH Resident or Student from entry upon the premises. COUNTY shall exercise reasonable efforts under the circumstances to notify CMH of its intent to remove or restrict before taking action and shall notify CMH as soon thereafter as is reasonable.
22. During the course of the learning experience, CMH Residents shall not be employees of COUNTY nor shall they be required to perform work for COUNTY not associated with an approved learning experience.
23. During the course of the learning experience, Students shall not be employees of COUNTY nor shall they be required to perform work for COUNTY not associated with an approved learning experience.
24. COUNTY shall perform the following throughout the term of this Agreement:
  - a) Provide appropriate supervision of clinical services rendered by CMH Residents and Students during rotations at COUNTY's facility; and
  - b) Ensure that CMH Residents and Students are engaged only in patient care-related activities.
25. COUNTY shall submit monthly invoices identifying the amount of payment due to COUNTY for CMH's Residents or Students meals provided in the preceding month. Such invoices shall be submitted for every month in which a CMH Resident or Student receives meals at COUNTY.
26. The parties acknowledge that none of the benefits granted to the other party hereunder are in any way conditioned on any requirement that each institution make referrals to, be in a position to make referrals to, or otherwise generate business for the other party. The parties further acknowledge that each party's physicians are not restricted from establishing staff privileges at, referring patients to, or otherwise generating business for, any other facility.

## **II. JOINT RESPONSIBILITIES AND GENERAL PROVISIONS**

1. Both parties recognize the unique nature of having the CMH Residents and visiting third (3<sup>rd</sup>) year medical Students trained at a facility outside of their primary training location. In order to continue to respect and support each other's residency and visiting educational programs, CMH and COUNTY recognize and agree that this Agreement is limited to the following:
  - a. CMH Residents training at COUNTY will be limited to training in areas as specifically outlined in the PLA.
  - b. CMH Residents shall participate in non-patient care mock training and educational opportunities as mutually agreed by the CMH and COUNTY Residency Directors.
2. The staffs of both parties shall serve as resource personnel on a non-compensation

basis at the request of either party with appropriate approval.

3. The personnel of both parties will cooperate in a manner so as to provide continuous evaluation of the use of the facilities for CMH Resident experiences.
4. This Agreement shall become effective as of and, subject to receipt of all necessary budgetary approvals by the Ventura County Board of Supervisors, shall be for an initial period of twelve (12) months, that is, from June 15, 2024 through June 14, 2025. Then, unless either party terminates the Agreement pursuant to Subsection 5 of this Section II, and subject to receipt of all necessary budgetary approvals by the Ventura County Board of Supervisors, this Agreement shall then be extended for up to two (2) additional periods of one (1) year each.
5. This Agreement may be terminated by either party upon ninety (90) days' written notice from either party to the other, without cause. Furthermore, this Agreement may be terminated by either party during its term, for cause, provided the party seeking to terminate the Agreement has provided the other party written notice of the alleged cause. The alleged breaching party shall have thirty (30) calendar days after receipt of notice to remove the cause or cure the breach. If the cause is removed or the breach cured within that thirty (30) calendar day period, this Agreement shall remain in full force and effect. In the event the cause is not removed or the breach is not cured within the thirty (30) day period, the party providing notice may thereafter terminate the Agreement.
6. Both parties agree that they shall conduct their activities pursuant to this Agreement in accordance with local, state and federal non-discrimination laws.
7. Any written notice, communication or payments provided for, required, or permitted herein shall be addressed to the following:  
  
CMH:                   Community Memorial Health System  
                          Attn: Mick Zdeblick, CEO & President  
                          147 N. Brent Street  
                          Ventura, CA 93003  
  
COUNTY:           Ventura County Medical Center  
                          Attn: John Fankhauser, M.D., CEO, County Hospitals  
                          300 Hillmont Avenue  
                          Ventura, CA 93003  
  
Notice shall be deemed effective upon delivery of written notice to the other party by U.S. Postal Service mail, private courier, or hand delivery.
8. This Agreement constitutes the entire agreement between the parties and supersedes all prior written and oral agreements, as to the subject matter hereof. Any changes, modifications, or amendments to this Agreement must be reduced to writing and signed by the parties.
9. The relationship between the parties is intended to be that of independent contractors and this Agreement shall be construed to fulfill that intent.

10. Any waiver by either party of any term or provision in this Agreement at any one time shall not constitute a waiver of any other or all provisions. Any waiver of any part or provision of the Agreement at any one time shall not constitute a waiver for all times.
11. Neither party to this Agreement waives its sovereign immunity by executing this Agreement, and fully retains all immunities and defenses provided by law with regard to any action based on this Agreement.
12. COUNTY agrees to indemnify and hold harmless CMH, together with its CMH Residents, faculty, administrators, directors and officers, from and against any and all claims, demands, causes of action, damages and other liabilities asserted against any of them and arising from or proximately caused by the acts or omissions of COUNTY, its owners, officers, directors, employees or agents. CMH agrees to indemnify and hold harmless COUNTY, together with its owners, officers, directors, employees and agents, from and against any and all claims, demands, causes of action, damages and other liabilities asserted against any of them and arising from or proximately caused by the acts or omissions of CMH, its CMH Residents, Students, faculty, administrators, directors or officers. Indemnified parties shall have the right to select their attorneys. The indemnities provided herein shall extend to the payment of reasonable attorneys' fees and expenses incurred by the indemnified parties in defending against claims falling within the scope of the indemnities, provided that the hourly rates do not exceed the hourly rate the indemnifying party customarily pays to counsel for its professional negligence defense.
13. The construction, interpretation and enforcement of this Agreement shall be governed by the laws of the State of California, and courts of the State of California shall have jurisdiction over any action arising out of this Agreement.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the day and date of first hereinabove written.

COUNTY OF VENTURA:

COMMUNITY MEMORIAL HEALTH SYSTEM

\_\_\_\_\_  
JOHN FANKHAUSER, MD  
VCMC CEO

\_\_\_\_\_  
Mick Zdeblick  
Chief Executive Officer and President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**Exhibit 1**

Direct cost incurred by COUNTY

- Cost of Medical Education Staff, PPE, supplies, and space to support CMH Residents \$84,500
- Cost of training Western DO students at VCMC \$46,000
- Total cost \$130,500 annually in quarterly payments of \$32,625