

**MANAGEMENT SERVICES AGREEMENT  
WITH ANACAPA SURGICAL GROUP, INC.  
FOR THE OPERATION OF ANACAPA CLINIC**

This Agreement, hereinafter referred to as "Agreement," is entered into and shall become effective on July 1, 2025 (the "Effective Date") by and between the County of Ventura ("AGENCY"), and Anacapa Surgical Group, Inc., based on the following recitals, terms and conditions:

**ARTICLE 1  
INTRODUCTORY RECITALS**

- 1.1 AGENCY, as owner and operator of a general hospital known as Ventura County Medical Center, operating with campuses in the cities of Ventura County, hereinafter collectively referred to as HOSPITAL and its clinic system hereinafter referred to as AMBULATORY CARE (where appropriate, references herein to AGENCY shall include HOSPITAL and AMBULATORY CARE), hereby contracts for the professional services and management services of CONTRACTOR. The AMBULATORY CARE system includes an outpatient medical clinic at 300 Hillmont Ave., Building 340, Suite 401, Ventura, CA 93003, commonly known as Anacapa Clinic, and Anacapa Urology Clinic located at 300 Hillmont Ave., Building 340, Suite 402, Ventura, CA 93003, hereinafter referred to as "ANACAPA CLINIC" and "PREMISES."
- 1.2 Anacapa Surgical Group, Inc., (hereinafter referred to as "CONTRACTOR"), is a professional corporation, owned and controlled by Thomas K. Duncan, D.O., Barry Sanchez, M.D., Javier Romero, M.D., and Jeremy Schweitzer, M.D., and is qualified to provide the physician, advanced practice provider ("APP"), and ANACAPA CLINIC support staffing resources contemplated herein.
- 1.3 AGENCY desires to contract with CONTRACTOR to staff ANACAPA CLINIC with nonphysician personnel and manage ANACAPA CLINIC operations on behalf of AGENCY as part of AGENCY's medical system. AGENCY and CONTRACTOR desire to contract with each other because of CONTRACTOR's qualifications and ability to staff and manage ANACAPA CLINIC in exchange for the compensation set forth herein.
- 1.4 CONTRACTOR shall also provide professional medical services under the direction of the HOSPITAL Chief Medical Officer and the AMBULATORY CARE Chief Medical Officer, and shall perform said work and functions at all times in strict accordance with currently approved methods and practices of their professional specialty. CONTRACTOR may contract with or employ other physicians and APPs who shall assist CONTRACTOR, and who shall be bound by the terms of this Agreement by way of a subcontract or employment agreement between them and CONTRACTOR. Those who contract, subcontract, or who shall so be employed

by CONTRACTOR shall hereinafter be referred to as "Participating Providers," shall be listed in Exhibit A to this Agreement, and are subject to prior approval by AGENCY. Contractor shall provide AGENCY with written notice of changes in the "Participating Providers."

- 1.5 AGENCY and CONTRACTOR desire to enter into this Agreement in order to provide a full statement of their respective rights and responsibilities in connection with the operation of ANACAPA CLINIC and the professional services of CONTRACTOR pursuant to this Agreement.

WHEREFORE, in consideration of the promises and mutual covenants and agreements herein contained, the parties hereby agree as follows:

## ARTICLE 2 CONTRACTOR'S DUTIES

### 2.1 CONTRACTOR's Professional and Management Services Responsibilities:

- a. CONTRACTOR and Participating Providers shall work collaboratively with the HOSPITAL and AMBULATORY CARE.
- b. CONTRACTOR shall staff ANACAPA CLINIC with physicians, and nonphysician personnel, including business operations, front office support, clinical support, and ancillary support staff, for the efficient and effective operation of ANACAPA CLINIC and provision of medically necessary services to ANACAPA CLINIC patients requiring care in the following specialties:
  - i. Bariatric surgery
  - ii. General surgery
  - iii. Neurosurgery
  - iv. Oncologic surgery
  - v. Otolaryngology
  - vi. Pediatric surgery
  - vii. Plastic surgery
  - viii. Thoracic surgery
  - ix. Trauma surgery
  - x. Urology

Notwithstanding the foregoing, except with respect to physicians listed as Participating Providers in Exhibit A, AGENCY will enter into separate contracts with physicians covering the foregoing specialties to staff ANACAPA CLINIC and shall be solely responsible for compensating such physicians. Notwithstanding anything contained herein or in the Office Space License Agreement attached as Exhibit D to the contrary, CONTRACTOR shall not be liable for any actions taken by such physicians with whom AGENCY contracts to staff ANACAPA CLINIC and shall have no responsibility or liability to

AGENCY in relation to these contracted physicians, except where such responsibility or liability results from CONTRACTOR's negligence.

Employment of Relatives: CONTRACTOR shall not employ nor continue to employ an immediate family member at ANACAPA CLINIC and no compensation shall be paid to any person who is an immediate family member of CONTRACTOR without the approval of AGENCY. No person shall be employed in a position directly or indirectly supervised by an immediate family member without the approval of AGENCY.

- c. CONTRACTOR shall designate a Clinic Administrator and a Medical Director(s) who will work collaboratively with AMBULATORY CARE.
- d. CONTRACTOR shall provide adequate space within ANACAPA CLINIC and staff nonphysician personnel for Anesthesia Preoperative Evaluation Clinic ("APEC") services, including three (3) half-day clinics per week contingent upon resources required for the APEC clinic. At a minimum, CONTRACTOR shall provide one medical assistant to room and vital patients who visit APEC, with approximately five (5) patient visits expected per half-day. Changes to the APEC half-days shall be mutually approved by CONTRACTOR and the AGENCY.
- e. CONTRACTOR shall provide adequate space within ANACAPA CLINIC and staff nonphysician personnel for surgical instrument sterilization services. CONTRACTOR shall staff Sterile Processing Technicians at levels required to meet the needs of ANACAPA CLINIC and AGENCY requests, that may be made from time to time, for instrument sterilization from other AMBULATORY CARE clinics (e.g., Las Islas and PDC). AGENCY requests from clinics other than ANACAPA CLINIC shall not exceed sterilization of 3,000 instruments per year.
- f. CONTRACTOR shall provide, on PREMISES, sufficient staff to support outpatient medical services as described herein.
- g. CONTRACTOR will provide all services in an equitable manner and will neither discriminate nor favor any provider based on surgical group affiliation. CONTRACTOR will communicate openly and responsively with each surgical group, address complaints, and manage ANACAPA CLINIC operations in a fair and consistent manner.

## 2.2 Specific CONTRACTOR Duties:

- a. CONTRACTOR shall prepare or have prepared and file with AGENCY all reports and statistical data listed below as required by AGENCY and by due dates required by AGENCY. Specifically, CONTRACTOR shall be responsible for gathering and reporting monthly on ANACAPA CLINIC office visits. CONTRACTOR shall pull the data from AGENCY's EHR using the "VCHA

Clinic Stats Report” developed and maintained by AGENCY’s IT department. No show visits shall be clearly identified on the report.

- b. CONTRACTOR shall monitor and evaluate the quality and appropriateness of patient care provided at ANACAPA CLINIC in accordance with the Quality Assurance Plan of HOSPITAL as such Quality Assurance Plan is made known to CONTRACTOR.
- c. CONTRACTOR may pay ANACAPA CLINIC expenses other than those paid directly by AGENCY as set forth in Section 3.2(c). Such expenses may be reimbursed by AGENCY in accordance with Section 3.2(d).
- d. CONTRACTOR shall perform all other reasonable tasks as required for operation of ANACAPA CLINIC.

2.3 Compliance with Applicable Laws, Regulations and Standards:

- a. CONTRACTOR agrees to cooperate with AGENCY as necessary so that HOSPITAL and ANACAPA CLINIC may meet all requirements imposed by law or ordinance or established by the rules and regulations of any federal, state or local agency, department, commission, association or other governing or advisory body having authority to set standards governing the operation of HOSPITAL and ANACAPA CLINIC. CONTRACTOR further agrees to fully cooperate with any compliance-related activities of AGENCY, whether initiated by AGENCY or required by any federal, state, or local agency, including, without limitation, attending training sessions and providing appropriate certifications as requested by AGENCY.
- b. CONTRACTOR shall operate ANACAPA CLINIC in accordance with the accreditation standards of the Joint Commission for hospital-sponsored ambulatory care services, the licensing standards of the State Department of Health Care Services for acute care hospitals, applicable standards of the U.S. Department of Health and Human Services (“HHS”), any other standards of any accrediting agency and HOSPITAL’s policies and procedures. CONTRACTOR shall at all times during the term of this Agreement and any extensions thereof do nothing to interfere with or cause ANACAPA CLINIC to be maintained and used other than in accordance with such regulatory requirements and with the requirements of private health insurers, healthcare service plans, or any other third-party payor programs in which HOSPITAL participates.
- c. CONTRACTOR agrees to cooperate with AGENCY as may be reasonably and necessarily required for HOSPITAL to meet all requirements imposed on it by law or by the rules, regulations and standards of applicable federal, state or local agencies, by agreement between AGENCY and any applicable federal, state or local agency, and all public and private third-party payors, including,

without limitation, Medicare and Medi-Cal. CONTRACTOR has received HOSPITAL's Code of Conduct and will execute a certification to that effect. CONTRACTOR shall cooperate with all compliance-related activities of AGENCY which include, without limitation, sending one or more representatives to the appropriate compliance training session(s) and providing certification of attendance. Failure to adhere to this provision shall be considered a material breach and/or default under this Agreement.

- d. CONTRACTOR represents and warrants that CONTRACTOR and all of its owners, officers, directors, physicians and managing employees are not and during the term of this Agreement shall not be: (1) suspended or excluded from participation in any federal or state health care program (including, without limitation, Medicare, Medi-Cal, or CHAMPUS/Tricare), (2) convicted of any criminal offense related to the delivery of any good or service paid for by a federal or state health care program or to the neglect or abuse of patients, or (3) suspended, excluded or sanctioned under any other federal program, including the Department of Defense and the Department of Veterans Affairs. CONTRACTOR shall notify AGENCY immediately if any event occurs which would make the foregoing representations untrue in whole or in part. Notwithstanding any other provision of this Agreement, AGENCY shall have the right to immediately terminate this Agreement for any breach of any of the foregoing representations and warranties.

2.4 ANACAPA CLINIC Personnel:

- a. CONTRACTOR shall provide physician and nonphysician personnel for ANACAPA CLINIC, and shall recruit and hire support staff as needed.
- b. CONTRACTOR shall ensure that all of its employees, agents and contractors are qualified for their responsibilities through appropriate education and experience and CONTRACTOR shall ensure that all physicians and APPs providing services for CONTRACTOR are at all times appropriately licensed and credentialed and that all such professionals participate in sufficient education programs or activities to maintain their credentials. CONTRACTOR shall maintain copies of all licenses for staff and further ensure that all equipment is used and procedures are performed only by staff who are trained and have demonstrated competence in said equipment and procedures. All physicians and APPs shall have attained HOSPITAL Medical Staff privileges prior to their first day of work.
- c. CONTRACTOR shall ensure that all individuals who provide services at ANACAPA CLINIC regularly participate in relevant educational programs or activities, including, without limitation, new employee orientation provided by CONTRACTOR, annual renewal of cardiopulmonary resuscitation training, tuberculosis test, and other required testing or training for all patient care personnel.

- d. CONTRACTOR shall provide AGENCY with a list of its contracted or employee physicians and APPs under this Agreement and shall inform AGENCY of any change in such provider list at least twenty-five (25) days prior to the change or as soon as reasonably practicable after a change which is the result of unexpected circumstances. The list of physicians and APPs is attached as Exhibit A and shall be updated as provided in this Section 2.4.d. CONTRACTOR, in compensating any subcontractors, shall comply with all federal and state laws.
- e. CONTRACTOR agrees to pay all payroll taxes and any benefits promised to agents, subcontractors and employees of CONTRACTOR and shall hold AGENCY harmless from any such payments and for any labor-related claims which may arise between CONTRACTOR and its employees.

2.5 ANACAPA CLINIC Leadership:

- a. CONTRACTOR shall be responsible for the operation and management of ANACAPA CLINIC, including expertise in governance, strategic development, operational and strategic issues facing healthcare in surgical settings.

2.6 ANACAPA CLINIC Patients and Records:

- a. CONTRACTOR agrees that all patients served by CONTRACTOR at ANACAPA CLINIC are patients of HOSPITAL. CONTRACTOR acknowledges and agrees that the names of HOSPITAL's patients obtained by CONTRACTOR under this or any previous agreement, and particularly HOSPITAL's patient list, constitute proprietary information and are subject to the provisions of Article 9.
- b. CONTRACTOR shall be responsible for the correct and timely documentation of services, including supervision thereof, provided to each patient in accordance with HOSPITAL's policies and procedures and applicable federal and state requirements; assure that legible patient records are appropriately and accurately maintained and are properly signed by the treating physician and placed in the patient record; be responsible for assuring that in cases where evaluation and management ("E&M") services are provided, the patient's medical record includes appropriate documentation of the applicable key components of the E&M service (including, but not limited to, patient history, physician examination, and medical decision making), and documentation to reflect the procedure or portion of the service performed; and document the treating physician's presence during the appropriate portion of any service or procedure requiring such presence.
- c. All patient medical records housed at ANACAPA CLINIC are the property of AGENCY. CONTRACTOR agrees to safeguard these records and to return them to AGENCY at the termination of this Agreement. CONTRACTOR agrees to maintain medical records in accordance with AGENCY's policies and

procedures and to forward to AGENCY all copies of patient medical records as may be requested by AGENCY or as may be necessary to meet the standards of the Joint Commission for hospital-sponsored ambulatory care services and to make available records to AGENCY for audit, review, or use in patient care, at no charge to AGENCY.

- d. CONTRACTOR will not use or disclose protected health information other than as permitted or required by the Agreement or as required by law. For the purposes of this Section, "protected health information" means information transmitted or maintained in any medium that (1) relates to the past, present or future physical or mental health condition of an individual; the provision of health care to an individual; or the past, present or future payment for health care; and (2) either identifies the individual or reasonably could identify the individual.
1. Permitted Uses and Disclosures - CONTRACTOR may use or disclose protected health information as follows: (1) for the proper management and administration of CONTRACTOR or to carry out the legal responsibilities of CONTRACTOR, and (2) to provide data aggregation services to AGENCY. CONTRACTOR will document any disclosures of protected health information not permitted by law.
  2. Safeguarding Protected Health Information - CONTRACTOR will use appropriate safeguards to prevent use or disclosure of protected health information, including electronic protected health information, other than as provided for by this Agreement, including ensuring that any agent, including a subcontractor, to whom it provides protected health information received from, or created or received by, CONTRACTOR on behalf of AGENCY agrees to the same restrictions and conditions that apply through this Agreement to CONTRACTOR with respect to such information. Such safeguards shall include compliance with the requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") Security Rule (45 C.F.R. part 160 and part 164, subparts A and C), including the administrative, physical, and technical safeguards and documentation requirements set forth in 45 C.F.R. 164.308, 164.310, 164.312, and 164.316. CONTRACTOR shall, within two (2) calendar days of the discovery of such disclosure, report to AGENCY any use or disclosure of protected health information not provided for by this Agreement of which it becomes aware, including any breach of unsecured protected health information, as required by 45 C.F.R. 164.410, and any Security Incident (as defined in 45 C.F.R. 164.304) of which CONTRACTOR becomes aware, and will, to the extent practicable, mitigate any harmful effect that is known to CONTRACTOR of a use or disclosure of protected health information in breach of the requirements of this Agreement. Notification to the AGENCY will include the identity of each individual whose protected health information or unsecured protected health information was, or is reasonably believed by CONTRACTOR to have been, accessed, acquired, used or disclosed during the breach. At the termination of this Agreement, CONTRACTOR will return or destroy all protected health information

created or received by CONTRACTOR on behalf of AGENCY and retain no copies of such information. If it is not feasible to return or destroy the protected health information, CONTRACTOR shall provide AGENCY notification of the conditions that make return or destruction infeasible, and CONTRACTOR shall extend the protections set forth in this Section 2.7.d to such protected health information and limit the use and disclosure of the protected health information to those purposes that make return or destruction infeasible. To the extent it later becomes feasible to return or destroy such protected health information, CONTRACTOR shall do so. Such obligations shall survive termination of this Agreement for the period required by law.

3. Persons or Entities Allowed Access to Records - Except as otherwise prohibited by law, CONTRACTOR will allow an individual who is the subject of the protected health information to inspect and obtain a copy of protected health information and to receive an accounting of any disclosures of protected health information by CONTRACTOR within six (6) years prior to the date on which the accounting is requested. CONTRACTOR will make protected health information available to AGENCY for inspection, amendment and copying. CONTRACTOR will make its internal practices, books and records relating to the use and disclosure of protected health information available to AGENCY or the Secretary of HHS, as applicable, for purposes of determining CONTRACTOR's or AGENCY's compliance with 45 C.F.R. Part 164. In complying with this provision, CONTRACTOR may use the Health Information Management program of AGENCY.
4. Unless otherwise permitted by law, CONTRACTOR shall not directly or indirectly receive remuneration in exchange for any protected health information concerning an individual unless CONTRACTOR obtains from the individual a valid authorization that includes a specification of whether the protected health information can be further exchanged for remuneration by CONTRACTOR.
5. CONTRACTOR agrees that to the extent CONTRACTOR is to carry out one or more of AGENCY's obligations under Subpart E of 45 C.F.R. Part 164, CONTRACTOR will comply with the requirements of Subpart E that apply to AGENCY in the performance of such obligations.

## 2.7 Use and Name of PREMISES:

- a. CONTRACTOR shall use the name "Anacapa Surgical Associates" which is the dba of CONTRACTOR, and for which it owns the trademark to conduct business on behalf of ANACAPA CLINIC. ANACAPA CLINIC must at all times be identified as a clinic of HOSPITAL. CONTRACTOR shall maintain the identity of ANACAPA CLINIC as a treatment site for AGENCY-sponsored and Medi-Cal patients in all marketing materials and representations, which materials and representations shall be subject to AGENCY's prior approval.

- b. PREMISES shall be licensed to CONTRACTOR pursuant to the Office Space License Agreement attached hereto (Exhibit D). PREMISES are for the sole use of fulfilling the obligations and scope of services as described in this Agreement and shall be used and occupied solely for the operation of ANACAPA CLINIC for the treatment of ANACAPA CLINIC patients and uses incidental thereto. No other use shall be made of PREMISES without the prior consent of AGENCY. CONTRACTOR shall not use or occupy PREMISES in violation of any law, regulation, the certificates of occupancy issued for AGENCY, or HOSPITAL's applicable licenses. Promptly upon notice from AGENCY, CONTRACTOR shall discontinue any use of PREMISES which is declared by a governmental authority having jurisdiction, or determined by AGENCY, to be in violation of any law, regulation, certificate of occupancy, or applicable licenses.
- c. CONTRACTOR shall not use, or knowingly permit any person who is under its direction or control to use, any part of PREMISES for any purpose other than the performance of services or other duties and obligations set forth in this Agreement.
- d. CONTRACTOR shall not do anything in or about PREMISES which will in any way obstruct or interfere with the rights of AGENCY or its employees, or HOSPITAL or its Medical Staff, patients or invitees. CONTRACTOR shall ensure that the personal conduct of CONTRACTOR, and its agents, servants and employees, while at or representing ANACAPA CLINIC, is complementary to and not in conflict with the guiding principles and moral and ethical standards of HOSPITAL. CONTRACTOR shall not use or allow PREMISES to be used for any improper or unlawful purpose, or in any manner that will tend to create waste or a nuisance.
- e. CONTRACTOR shall not, without AGENCY's prior written consent and the approval of all regulatory agencies and other appropriate governmental bodies, make any alterations, improvements or additions in, on or about PREMISES.

2.8 Acceptance of PREMISES:

By executing this Agreement, CONTRACTOR accepts PREMISES as being in good working order, condition and repair. AGENCY shall repair and maintain the structural portion of PREMISES, including the basic plumbing, air-conditioning and electrical systems installed or furnished by AGENCY, unless such maintenance and repairs are caused in whole or in part by the negligence or intentional act of CONTRACTOR, in which case CONTRACTOR shall pay to AGENCY, within ten (10) business days of receipt from AGENCY of a statement of charges, the actual cost to AGENCY of such maintenance and repairs.

2.9 Access to PREMISES:

- a. CONTRACTOR covenants to permit AGENCY or its authorized representatives, agents, employees or independent contractors, or prospective purchasers or lessees of PREMISES, to enter PREMISES at such time as AGENCY may deem to be appropriate for any purpose. CONTRACTOR acknowledges that PREMISES may be used by AGENCY for any purpose, including, without limitation, to maintain licenses and permits, to assure compliance with this Agreement, to coordinate patient care, to coordinate and review medical records, to review financial and statistical records, to take inventory, to administer any AGENCY programs, to provide any services to be provided by AGENCY to ANACAPA CLINIC, to submit PREMISES to inspection by prospective purchasers or lessees, to alter, improve or repair PREMISES, and to take any action as AGENCY deems appropriate, whether or not necessary to comply with the requirements of any government agency or any third-party payor program in which HOSPITAL participates.
- b. CONTRACTOR agrees that all licensing, accrediting, certifying or other agents or employees of agencies or bodies which regulate HOSPITAL or ANACAPA CLINIC or administer programs in which HOSPITAL or ANACAPA CLINIC participates shall have the right to enter and inspect PREMISES at such times as AGENCY deems appropriate.

2.10 Supplies:

AGENCY will conduct a physical inventory of all supplies located in ANACAPA CLINIC to establish par levels for commencement and termination of this Agreement. The inventory must be signed off by both parties.

2.11 CONTRACTOR's Principal Managing Agent:

Thomas K. Duncan, D.O., Barry Sanchez, M.D., Javier Romero, M.D., and Jeremy Schweitzer, M.D. or their designees, are CONTRACTOR's principal managing agents and persons authorized to act on behalf of CONTRACTOR. All business transactions between CONTRACTOR and HOSPITAL shall be conducted by and through such persons. Any designee of such persons must be approved by HOSPITAL in writing and any change in designee is subject to approval of HOSPITAL.

2.12 Nondiscrimination:

- a. CONTRACTOR agrees to treat all patients for whom services are requested by AGENCY or the patient without regard to the patient's race, ethnic background, religion, national origin, citizenship, age, sex, sexual preference, preexisting medical condition, status, or ability to pay for medical services, except to the extent that a circumstance such as age, sex, preexisting medical condition, or physical or mental handicap is medically significant to the provision of appropriate medical care to the patient.

- b. CONTRACTOR reserves the right to refuse to serve patients who display intolerable or illegal behavior and reserves the right to refuse to treat patients when, in their judgment, such treatment may be harmful or endanger life or health of the patient or other patients or would be futile or unethical or would not be in the best interests of the patient.

2.13 Books and Records:

- a. CONTRACTOR agrees to maintain such records and provide such information regarding ANACAPA CLINIC to AGENCY, to any third-party payor which contracts with AGENCY, and to applicable state and federal regulatory agencies for compliance, as may be required. Such obligations shall survive termination of this Agreement for the period required by law. CONTRACTOR agrees to permit AGENCY, any third-party payor which contracts with AGENCY, or AGENCY's authorized representative at all reasonable times to have access upon request to books, records and other papers relating to CONTRACTOR's services hereunder, any bank records and bank statements (with respect to accounts used by CONTRACTOR to pay expenses related to its services), source payroll records, and other financial information pertaining to CONTRACTOR related to its services hereunder. CONTRACTOR's refusal to provide such records at AGENCY's request will constitute a material breach of this Agreement. To the extent necessary to avoid disallowances of reimbursement pursuant to section 1395x(v)(1)(I) of Title 42 of the United States Code, and regulations promulgated by the United States Health Care Financing Administration to implement section 1395x(v)(1)(I), until the expiration of four (4) years after the termination of this Agreement, CONTRACTOR shall make available to the Secretary of HHS upon written request, and to the Comptroller General of the United States General Accounting Office ("Comptroller General") upon written request, or to any of their duly authorized representatives, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the costs of the services provided by CONTRACTOR under this Agreement. If any Medicare reimbursable services provided by CONTRACTOR under this Agreement are carried out by means of a subcontract with an organization related to CONTRACTOR, and such related organization provides the services at a value or cost of ten thousand dollars (\$10,000.00) or more over a twelve (12) month period, then the subcontract between CONTRACTOR and the related organization shall contain a clause which requires such related organization to allow the Comptroller General, the Secretary of HHS, and their duly authorized representatives, access to such subcontract and to the related organization's books, documents and records as necessary to certify the nature and extent of costs of Medicare reimbursable services provided under the subcontract, until the expiration of four (4) years after the furnishing of Medicare reimbursable services under the subcontract. The cost of preparing copies of CONTRACTOR's books, records or other documents requested by AGENCY, any third-party payor contracting with

AGENCY, or their authorized representatives, shall be paid by the party or parties requesting said copies. With respect to AGENCY's inspection rights hereunder, CONTRACTOR shall comply with AGENCY's inspection demands subject to, and in accordance with, all applicable and relevant laws pertaining thereto, including, without limitation, those governing the confidentiality of patient records. AGENCY shall maintain the confidentiality of the information it accesses under this Section and shall use it solely for the purposes of this Agreement or as otherwise required by law. Further, with respect to the information CONTRACTOR is required to provide hereunder, CONTRACTOR may redact sensitive personal information of its employees, contractors, and other personnel to protect their privacy.

- b. CONTRACTOR agrees to maintain such records and provide such information regarding ANACAPA CLINIC to AGENCY, or the auditor working on behalf of AGENCY, in a manner accessible to the AGENCY or auditor. This includes providing and preparing supporting documentation, isolating requested data from other documents, and labelling support to facilitate the auditor's review.

### ARTICLE 3 AGENCY DUTIES

#### 3.1 HOSPITAL Authority:

HOSPITAL, as the licensed operator of ANACAPA CLINIC, is subject to certain regulatory and licensing requirements, including, without limitation, the provisions of sections 70527 and 70713 of Title 22 of the California Code of Regulations, which require that HOSPITAL retain professional and administrative responsibility for services rendered at ANACAPA CLINIC and that all policies of ANACAPA CLINIC be approved by HOSPITAL. The parties acknowledge and agree that this Agreement shall be interpreted and implemented so that HOSPITAL is at all times in compliance with regulatory and licensing requirements, and so that ANACAPA CLINIC complies with regulatory and licensing requirements as a clinic of HOSPITAL.

#### 3.2 AGENCY Obligations:

- a. AGENCY shall arrange for the lease/purchase of all facilities to be used as PREMISES. AGENCY shall give to CONTRACTOR a license to use the PREMISES pursuant to the terms, conditions, law, rules and regulations stated and referenced in the Office Space License Agreement (Exhibit D).
- b. AGENCY shall provide professional liability (malpractice) insurance for CONTRACTOR and Participating Providers for all medical care provided under the terms of this Agreement, irrespective of the time at which such claim(s) may be filed or settled, and irrespective of the status of CONTRACTOR at said time.

Such insurance shall be equal to coverage being provided other physicians and APPs by AGENCY.

- c. AGENCY shall provide or arrange for the following support items and services for ANACAPA CLINIC:
  1. Housekeeping;
  2. Laundry and linen;
  3. Utilities;
  4. Weekly biohazardous trash removal;
  5. Telephone and facsimile services;
  6. Equipment, required to operate ANACAPA CLINIC, in good working order and properly maintained, repaired and replaced as reasonably necessary for its proper functionality;
  7. Office supplies;
  8. Water coolers and water delivery, consistent with AGENCY policy;
  9. Repair and maintenance of AGENCY-owned equipment, in accordance with Section 6.2, and PREMISES, in accordance with Section 2.8;
  10. Network services which are reliable with minimal downtime and with properly staffed IT personnel to assist with troubleshooting and technical assistance as reasonably required;
  11. Computer systems and software, which are up to date and particularly suitable for operations of ANACAPA CLINIC, including implementation and training services for AGENCY provided systems;
  12. Quality assurance metrics and standards;
  13. Medical and surgical supplies at established par levels;
  14. Ancillary services as needed by ANACAPA CLINIC patients, including:
    - a. Laboratory services,
    - b. Radiology services;
    - c. Physical therapy services;
    - d. Occupational therapy services;
    - e. Pharmaceuticals;
  15. Electronic health records system and forms;
  16. Enrollment with third-party payors for Participating Providers;
  17. Billing and collection services for all services provided by the Participating Providers;
  18. AGENCY management services in support of ANACAPA CLINIC, including the preparation of reports and statistical data used to measure and monitor ANACAPA CLINIC performance. AGENCY will be responsible for gathering and reporting monthly on the statistical data related to the metrics identified in Exhibit C.
  
- d. CONTRACTOR may purchase additional support items and services necessary for operation of ANACAPA CLINIC. Such expenses may be reimbursed by AGENCY if approved in writing in advance by the AGENCY Director or his or her designee. Examples of such reimbursable expenses include:

1. Office equipment and medical equipment not provided by AGENCY pursuant to Section 3.2(c);
2. Communication, management, or other software not provided by AGENCY pursuant to Section 3.2(c);
3. Marketing, public relations, and patient support services, up to two thousand five hundred dollars (\$2,500) annually;
4. Payroll administration, benefits administration, bookkeeping, accounting and legal services necessary for operation of ANACAPA CLINIC;
5. Payment of other vendors who directly support ANACAPA CLINIC;
6. Continuing Medical Education (CME) and other dues, fees, and other expenses paid or reimbursed by Anacapa for employees who directly support ANACAPA CLINIC, consistent with AGENCY practice.
7. General liability "occurrence" coverage in the minimum amount of one million dollars (\$1,000,000) combined single limit (CSL) bodily injury and property damage each occurrence and two million dollars (\$2,000,000) aggregate, including personal injury, broad form property damage, products/completed operations, and broad form blanket contractual.;
8. Workers' compensation coverage, in full compliance with California statutory requirements, for all employees of CONTRACTOR and employer's liability coverage in the minimum amount of one million dollars (\$1,000,000);
9. Cyber liability coverage in the minimum amount of two million dollars (\$2 million) each occurrence and four million dollars (\$4 million) aggregate.

#### ARTICLE 4 INDEPENDENT CONTRACTORS AND RELATED OBLIGATIONS

##### 4.1 Independent Contractor:

In the performance of the work, duties, and obligations and in the exercise of the rights granted under this Agreement, it is understood and agreed that CONTRACTOR is at all times an independent contractor of AGENCY. Notwithstanding anything to the contrary, CONTRACTOR may during the term of this Agreement provide similar services to other hospitals and medical groups not associated with AGENCY or HOSPITAL, for which CONTRACTOR shall not be entitled to any compensation from AGENCY, provided that such services do not interfere with the services being provided under this Agreement.

4.2 Claims by CONTRACTOR and its Personnel:

Neither CONTRACTOR nor any of the physicians, non-physician personnel, administrative support personnel, or other persons performing services for CONTRACTOR pursuant to this Agreement, whether said person be an employee of CONTRACTOR, subcontractor, or otherwise, shall have any claim under this Agreement or otherwise against AGENCY for sick leave, vacation pay, retirement benefits, social security, workers' compensation, disability, unemployment insurance benefits, or employee benefits of any kind.

4.3 Supervision of CONTRACTOR Personnel:

- a. All persons employed by CONTRACTOR shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. All terms of hiring and discharging or any other terms of employment or requirements of law shall be determined by CONTRACTOR, and AGENCY shall not have any right or authority over such persons or the terms of their employment.
- b. AGENCY shall not have any control or direction over the method by which CONTRACTOR shall give these services, provided, however, that CONTRACTOR shall cause the obligations, responsibilities, and functions to be performed at all times in compliance with this Agreement and in accordance with reasonable methods and practice.
- c. It is understood and agreed that CONTRACTOR is to assure that the work and services covered by this Agreement shall be performed and rendered in a competent, efficient, and satisfactory manner and in accordance with all applicable laws and community standards.

4.4 Indemnity of HOSPITAL for Tax Claims:

CONTRACTOR agrees to hold AGENCY harmless and compensate AGENCY for any tax claims against AGENCY for payment of state or federal income tax obligations relating to CONTRACTOR or its employees' compensation. CONTRACTOR and its employees shall be solely responsible for all income taxes or other such taxes related to any compensation received by CONTRACTOR or its employees from AGENCY.

ARTICLE 5

RIGHT AND RESPONSIBILITY TO OPERATE ANACAPA CLINIC

5.1 CONTRACTOR's Rights and Responsibilities as to ANACAPA CLINIC Generally:

It is the intent of the parties hereto to promote and enhance the quality of patient care and the quality of the delivery of care at ANACAPA CLINIC through the establishment of known standards for its operation in accordance with this

Agreement. Accordingly, during the term of this Agreement and any extensions thereof and subject to its terms, CONTRACTOR shall have the right and responsibility to operate ANACAPA CLINIC, provided, however, that this Agreement does not grant any exclusive right to CONTRACTOR to serve any specific group of patients or any patients from any geographic area or any prior patients of ANACAPA CLINIC. AGENCY makes no warranty or assurance that CONTRACTOR will have any number of patients or any amount of business.

## ARTICLE 6 EQUIPMENT AND FURNISHINGS

### 6.1 Inventory:

AGENCY may periodically conduct a physical inventory of all equipment and furnishings located in ANACAPA CLINIC. CONTRACTOR shall have full use of AGENCY's equipment and furnishings as located at PREMISES, for ANACAPA CLINIC business only, throughout the term of this Agreement. Such equipment and furnishings shall remain the property of AGENCY.

### 6.2 Acquisition of Equipment and Furnishings:

- a. CONTRACTOR shall inform AGENCY as to increased needs for or replacement of equipment or furnishings for ANACAPA CLINIC. AGENCY may purchase additional necessary items for ANACAPA CLINIC and to replace equipment which becomes worn out through normal use or obsolescence within a reasonable time frame, subject to budgetary approvals, or may authorize CONTRACTOR to purchase such equipment or furnishings. CONTRACTOR's expenses for equipment purchased with such written authorization shall be reimbursed in accordance with Section 3.2(d).
- b. CONTRACTOR may purchase or otherwise obtain equipment or furnishings which, in the opinion of CONTRACTOR, are necessary for the provision of patient care services as described herein. It is agreed that such items, when provided by and paid for by CONTRACTOR, shall remain the property of, and the responsibility of, CONTRACTOR, which shall provide for the upkeep and maintenance of said equipment. CONTRACTOR's equipment and furnishings shall be clearly marked to distinguish them from AGENCY's equipment. Expenses related to purchase or upkeep of CONTRACTOR's equipment and furnishings are the responsibility of CONTRACTOR. At the termination of this Agreement, CONTRACTOR may retain, sell or permit AGENCY to purchase any such equipment from CONTRACTOR at the net book value.

### 6.3 Maintenance of Equipment and Furnishings:

CONTRACTOR agrees to safeguard and maintain AGENCY equipment and furnishings. CONTRACTOR shall reimburse AGENCY for any losses resulting

from the negligent use or intentional misuse of AGENCY equipment, furnishings, and PREMISES by CONTRACTOR's personnel.

ARTICLE 7  
ACCOUNTING, FINANCIAL OPERATIONS AND COMPENSATION

7.1 Payment to CONTRACTOR:

AGENCY shall compensate CONTRACTOR for services rendered under this Agreement as set forth in Exhibit B attached hereto.

7.2 Billing and Collections:

- a. AGENCY shall establish fee levels for services rendered by CONTRACTOR pursuant to the terms of this Agreement. All revenues and accounts receivable generated from any professional services provided by the Participating Providers to patients of AMBULATORY CARE pursuant to this Agreement, except where such revenues or accounts receivable are generated from a separate agreement between a Participating Provider and AGENCY, regardless of the location of service, will be the sole property of AGENCY.<sup>1</sup> CONTRACTOR irrevocably assigns exclusively to AGENCY any rights CONTRACTOR may have to bill and collect from patients and third-party payors (including, but not limited to, the Medicare and Medi-Cal programs) with respect to services rendered pursuant to this Agreement. Notwithstanding the previous sentence, AGENCY may segregate the responsibilities of accounts receivable management into smaller components such as charge entry, billing, preparation of monthly patient account statements, collections, cash handling, posting of cash and adjustments and the like and delegate portions to CONTRACTOR. Such delegation would occur as mutually acceptable to both AGENCY and CONTRACTOR in order for AGENCY and CONTRACTOR to operate as efficiently as possible. CONTRACTOR shall execute any and all documents necessary to secure and protect AGENCY's interest in such revenues and accounts receivable, and shall cooperate with AGENCY in any reasonable manner to effectuate an efficient billing process and to obtain allowable reimbursement consistent with the care provided. AGENCY and CONTRACTOR acknowledge and agree that AGENCY and CONTRACTOR shall be responsible for compliance with applicable laws in the submission of bills to payors for services provided by CONTRACTOR hereunder, and that CONTRACTOR shall be responsible for the completeness and the accuracy of the billing information submitted to AGENCY.
  
- b. All accounts receivable generated by CONTRACTOR pursuant to the terms of this Agreement, and any outstanding accounts receivable for which CONTRACTOR has assumed collection responsibility pursuant to the terms of

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<sup>1</sup> **Note to County:** Please confirm this is correct, or whether this should reference patients of Anacapa Clinic instead of Hospital.

this Agreement, shall remain the property of AGENCY and shall be turned over to AGENCY on the termination date of this Agreement. All AGENCY funds held by CONTRACTOR or received by CONTRACTOR after the termination of this Agreement shall be forwarded to AGENCY. On the termination date of this Agreement, all unbilled and/or open accounts, with supporting documentation necessary for billing, shall be turned over to AGENCY. AGENCY will use such efforts, as it deems appropriate, to collect any outstanding sums.

- c. CONTRACTOR agrees to work with AGENCY in a cooperative fashion in the ongoing billing and collection efforts associated with outstanding accounts receivable for services provided at ANACAPA CLINIC prior to the Effective Date . AGENCY will work closely with CONTRACTOR in these efforts and will determine the point at which collection efforts will be turned over to outside collection agencies and/or the HOSPITAL Billing Office. All sums collected as a result of these efforts shall be retained by AGENCY.
- d. Charges for services provided at ANACAPA CLINIC pursuant to the terms of this Agreement, shall be consistent with AGENCY charges. CONTRACTOR shall have the right to offer discounts to patients in accordance with any discount policy adopted by AGENCY.
- e. CONTRACTOR shall qualify and identify patients by financial class in a manner consistent with the policies and procedures of AGENCY.
- f. CONTRACTOR shall adhere to the internal control procedures for cash management established by AGENCY. AGENCY shall have the right to audit or review CONTRACTOR's billing and collections practices or financial records on reasonable notice to CONTRACTOR or to make such records available to entities auditing AGENCY.

### 7.3 Accounting:

- a. CONTRACTOR shall maintain accounting records in compliance with the "Accounting and Reporting Manual for California Hospitals" as published by the Office of Statewide Health Planning and Development. This manual dictates the system of accounts to be used and requires the accrual basis of accounting. AGENCY shall provide CONTRACTOR access to a copy of this manual.
- b. AGENCY shall notify CONTRACTOR of payments made for ANACAPA CLINIC operations, including lease and liability insurance payments, supplies and services paid by AGENCY.

## ARTICLE 8 TERM AND TERMINATION

### 8.1 Term of Agreement and Termination:

- a. This Agreement shall be effective July 1, 2025, 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, until June 30, 2026. Then, unless either party provides written notice of its intent not to renew at least seventy (70) days prior to the annual renewal date, and subject to receipt of all necessary budgetary approvals by the Ventura County Board of Supervisors, this Agreement shall then be extended through June 30, 2027.<sup>2</sup>
- b. Notwithstanding anything to the contrary in this Agreement, this Agreement may be terminated upon seventy (70) days' written notice from either party to the other, with or without cause.
- c. Other than as stated above, the parties hereto may terminate this Agreement only by mutual written agreement or upon the occurrence of the following:
  1. In the event of a material breach of its terms by the other party, provided, however, that as to any breach that can be cured, no such termination shall occur unless the party which desires to terminate gives the other party at least thirty (30) days' written notice of such material breach, or such longer period of notice as may be reasonable under the circumstances pertaining thereto, and such breach is not cured within said thirty (30) days or longer period. Such notice shall specify with reasonable particularity the nature and extent of the material breach complained of. This Section shall not apply to any breach that cannot be cured.
  2. The revocation or suspension of the license to practice medicine, in the State of California, of Thomas K. Duncan, D.O., Barry Sanchez, M.D., Javier Romero, M.D., and Jeremy Schweitzer, M.D.
  3. The loss of, or suspension from, membership on the Medical Staff of HOSPITAL of Thomas K. Duncan, D.O., Barry Sanchez, M.D., Javier Romero, M.D., and Jeremy Schweitzer, M.D. after appropriate hearing procedures in accordance with the bylaws of the Medical Staff of HOSPITAL and other applicable rules and regulations and other applicable law.

### 8.2 Survival of Medical Staff Privileges on Termination:

The termination of this Agreement of itself shall not cause the termination of Medical Staff privileges at HOSPITAL for any of CONTRACTOR's APPs. Said privileges shall be subject to the relevant provision(s) of HOSPITAL's Medical Staff Bylaws.

### 8.3 Compensation on Termination:

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<sup>2</sup> **Note to County:** The Stark law's personal services exception requires that agreements have a term of at least one (1) year, so we deleted former Section 8.1b.

Upon termination of this Agreement the compensation earned by CONTRACTOR for services rendered under this Agreement prior to the date of termination shall be prorated on a daily basis.

## ARTICLE 9 CONFIDENTIALITY

### 9.1 Ownership and Control of Confidential Information:

As used in this Agreement, "Proprietary Information" means any information that derives independent economic value, whether actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use. Proprietary Information includes, without limitation, all of AGENCY's and ANACAPA CLINIC's policy and procedure manuals, plans, software, computer processing programs, payroll, and other trade secrets. All such Proprietary Information is owned by AGENCY. In order to preserve the confidentiality and value of such Proprietary Information, CONTRACTOR agrees, on behalf of itself and its agents and employees, not to disclose Proprietary Information of the other party to any person or entity, or to use Proprietary Information for any purpose other than as authorized by AGENCY. CONTRACTOR further agrees not to disclose Proprietary Information to others for any purpose, including without limitation the soliciting of patients for treatment, other than as permitted by the terms of this Agreement. This Section 9.1 shall survive the termination of this Agreement.

## ARTICLE 10 GENERAL PROVISIONS

### 10.1 Dispute Resolution:

The parties agree that disputes between them as to the interpretation of this Agreement shall be settled in conformance with the following procedures:

- a. The aggrieved party shall notify the other party (i.e., the responding party) in writing in sufficient detail so as to clearly identify the problem(s) giving rise to the dispute. The responding party shall respond to the writing within a reasonable time.
- b. If the dispute involves a department of AGENCY, each of the parties shall consult with the appropriate members of said department and provide for input from said members so as to facilitate a complete discussion and proposed solution(s) of the problem(s).



Barry Sanchez, M.D.  
Javier Romero, M.D.  
Jeremy Schweitzer, M.D.  
Anacapa Surgical Group, Inc.  
300 Hillmont Ave., Building 340, Suite 401  
Ventura, CA 93003

Any party may change its address to which notices shall be given by notice provided in accordance with this Section.

10.6 Miscellaneous:

- a. This Agreement contains the sole and entire agreement between the parties and shall supersede any and all prior agreements, either oral or in writing between the parties hereto with respect to CONTRACTOR providing the services specified in this Agreement. This Agreement shall completely supersede any prior agreement between the parties as to ANACAPA CLINIC and shall govern any such work or operations of ANACAPA CLINIC under any such prior agreement. This Agreement contains all the covenants and agreements between the parties with respect to such services in any manner whatsoever as of the Effective Date. The parties acknowledge and agree that neither of them has made any representations, inducements, promises or agreements, orally or otherwise, with respect to the subject matter of this Agreement, or any representations other than as are specifically set forth herein, and each of the parties hereto acknowledges that it has relied on its judgment in entering into this Agreement.
- b. Failure by either party to insist upon strict performance of each and every term and condition and covenant of this Agreement shall not be deemed a waiver of or a relinquishment of their respective right to enforce any term, condition or covenant.
- c. This Agreement shall be governed and construed in accordance with the laws of the State of California.
- d. All parties to this Agreement shall comply with all applicable laws and regulations. Specifically, but without limiting the generality of the foregoing, there is no intention on behalf of AGENCY in connection with this Agreement or otherwise, to induce or to influence referrals by or from CONTRACTOR. In dealing with patients and in connection with any patient referrals or hospital admissions CONTRACTOR may make, CONTRACTOR is expected and required to act in accordance with the highest professional ethical standards, in accordance with applicable laws, and in the best interests of the patient. Neither CONTRACTOR's compensation, nor any other consideration or remuneration, to CONTRACTOR or any member of CONTRACTOR's family, currently or in the future, is or will be based on any expectation of referrals, or

on CONTRACTOR's making or not making referrals to any particular person, entity or facility.

- e. This Agreement shall be binding upon the respective successors and assigns of the parties.
- f. As used here, the masculine, feminine, or neuter gender and the singular or plural number shall be deemed to include the others whenever the context so indicates.
- g. As this Agreement has been mutually negotiated and all elements mutually agreed, it shall be deemed that neither party was the author of this contract, within the meaning of Civil Code section 1654.
- h. If any term of the Agreement is held by a court of competent jurisdiction to be void or unenforceable the remainder of the contract terms shall remain in full force and effect and shall not be affected.
- i. Should CONTRACTOR be sued based upon actions of AGENCY, through no fault of and not due to actions of CONTRACTOR or of CONTRACTOR's subcontractors, employees, or agents, AGENCY shall indemnify, defend and hold harmless CONTRACTOR from any loss, cost, damage, expense or liability which may arise from any such suit.

10.7 Administration:

This Agreement shall be administered on behalf of AGENCY by the AGENCY Director or his or her designee.

[The remainder of this page left blank intentionally]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year indicated below:

ANACAPA SURGICAL GROUP, INC.

Date: 4/28/2025 | 5:02 PM PDT

Signed by:   
By: \_\_\_\_\_  
057DA6B54849466  
Thomas K. Duncan, D.O.  
President

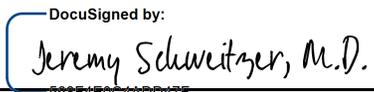
Date: 4/28/2025 | 5:42 PM PDT

Signed by:   
By: \_\_\_\_\_  
D006764EA40E4FE...  
Barry Sanchez, M.D.  
Vice President

Date: 4/28/2025 | 5:23 PM PDT

Signed by:   
By: \_\_\_\_\_  
F2DAB93314474E4...  
Javier Romero, M.D.  
Secretary

Date: 4/28/2025 | 4:23 PM PDT

DocuSigned by:   
By: \_\_\_\_\_  
308F4E0C4ADD47F...  
Jeremy Schweitzer, M.D.  
Treasurer

COUNTY OF VENTURA

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

By: \_\_\_\_\_  
Theresa Cho, MD, MHA  
Director, Ventura County Health Care Agency

EXHIBIT A - PARTICIPATING PROVIDERS  
Effective July 1, 2025

Kurt Blickenstaff, M.D.  
Teresa Hong, NP  
Shannon Morrow, PA  
Vivian Nguyen, PA  
Denise Hernandez NP  
Jasmin Seargeant PA  
Derek Oliver PA  
Andrew Mitchell PA

## **EXHIBIT B COMPENSATION OF CONTRACTOR**

For its services provided under this Agreement, AGENCY will pay CONTRACTOR a fixed monthly management fee plus CONTRACTOR's approved and documented expenses for operating ANACAPA CLINIC.

1. Where compensation is provided for personnel, the monthly payments will include all cash compensation and benefits and applicable employer payroll tax contributions. The following is a breakdown of the estimated monthly compensation:
  - a) Management Services: For management services in support of ANACAPA CLINIC, AGENCY will pay CONTRACTOR eleven thousand six hundred sixty-six dollars and sixty-seven cents (\$11,666.67) monthly. In the event this Agreement is extended for a second one-year term, the monthly management fee will be adjusted for such year based on the Consumer Price Index for All Urban Consumers (CPI-U) published by the U.S. Bureau of Labor Statistics, or any successor index thereto, with such adjustment calculated by comparing the index as of the Effective Date with the index as of the first anniversary of the Effective Date.
  - b) Clinic Staff: AGENCY will pay CONTRACTOR for the clinic staff positions set forth on Annex I to this Exhibit B, including the cost of all benefits accrued after the Effective Date made available with respect to such positions.
  - c) Other Approved Expenses: Any other expenses necessary to operation of ANACAPA CLINIC approved in advance in writing by the AGENCY Director or his or her designee.

If FTE levels fall below or AGENCY has approved the FTE levels to exceed the expectation set forth on Annex I, the monthly payment will be prorated accordingly.

2. CONTRACTOR shall submit invoices bi-monthly for payroll expenses, including paid time off accrued after the Effective Date and taken in the prior pay period. CONTRACTOR and AGENCY will agree on paid time off allotted per employment classification each fiscal year. Invoices for other expenses approved for reimbursement will be submitted on or before the 10th of each month for approved costs incurred during the prior month. Invoices for physician, NPs, PAs, and support staff will include source payroll data including name, position, hours worked, paid time off accrued after the Effective Date and taken and the amount of compensation paid to the individual by CONTRACTOR. Invoices for other approved expenses shall include a receipt or invoice for the item or service and a copy of the AGENCY Director's prior written approval of the expense. CONTRACTOR may request a cash advance of up to one million five hundred thousand dollars (\$1,500,000) to cover operating expenses during the period of July 1, 2025, through October 1, 2025.

- a. The principal amount of the advance and accrued interest shall be repaid over a period of twelve (12) months, with interest calculated at the AGENCY pool rate in effect on the date of the advance. Payments of principal and interest shall be deducted from CONTRACTOR's invoices for services until the advance is repaid.
- b. CONTRACTOR shall purchase and retain a surety bond or equivalent instrument, in a form approved by AGENCY, that guarantees repayment of the advance in the event of contract termination.

4. Quarterly/Annual Reconciliation:

- a. No later than November 1, 2025, and no more than sixty (60) days after the end of any subsequent quarter, the amounts paid to CONTRACTOR by AGENCY will be reconciled with CONTRACTOR's invoices for the preceding quarter. Any overpayment to CONTRACTOR will be deducted from CONTRACTOR's next invoice. Any amount found to be due to CONTRACTOR will be paid to CONTRACTOR within thirty (30) days of completion of the reconciliation.
- b. The annual reconciliation performed no later than September 1, 2026, and no more than sixty (60) days after the end of any subsequent contract year will include in the amount due to CONTRACTOR the amount of any unused vacation time accrued after the Effective Date and converted to cash compensation during the prior contract year by CONTRACTOR's employees covered by this Agreement. Such amount shall be verified by source payroll data and shall not exceed two percent (2%) of the total amount paid by AGENCY to CONTRACTOR for salaries and benefits during the previous contract year.

5. Reconciliation Upon Termination:

The following shall apply to overpayments and underpayments if the Agreement is terminated for any reason or if the parties do not agree on an extension or successor agreement. If there are any underpayments or overpayments, the aggregate amount of all underpayments or overpayments shall be paid in full by the responsible party to the other party within sixty (60) days after the date upon which the amount of the underpayment or overpayment is determined.

6. The maximum amount payable under this Agreement for the period of July 1, 2025 through June 30, 2026, or any subsequent contract year shall not exceed \$8,300,000.

**Annex I to Exhibit B  
Personnel Roster**

<b>Position</b>	<b>Regular Pay Rate</b>	<b>Exempt/Non Exempt</b>	<b>FTE</b>
Physician (Blickenstaff)	\$228,708	1099	1.0
Medical Assistants	\$29.87	Non-Exempt	1.0
Medical Receptionist	\$25.46	Non-Exempt	1.0
Licensed Vocational Nurses	\$86,435.28	Exempt	1.0
Medical Assistants	\$29.87	Non-Exempt	1.0
Medical Receptionist	\$28.64	Non-Exempt	1.0
Sr. Medical Assistants	\$30.60	Non-Exempt	1.0
Billing Clerks	\$77,277.84	Exempt	1.0
Medical Assistants	\$29.87	Non-Exempt	1.0
LVN Supervisor	\$86,435.28	Exempt	1.0
Medical Assistants	\$29.87	Non-Exempt	1.0
Authorization Specialist	\$66,414.48	Exempt	1.0
Medical Assistants	\$29.50	Non-Exempt	1.0
Authorization Specialist	\$31.93	Non-Exempt	1.0
Registration Supervisor	\$59,094.96	Exempt	1.0
NSQIP Clinical Reviewer	\$73,901.52	Exempt	1.0
Sr. Medical Assistants	\$29.50	Non-Exempt	1.0
Sr. Medical Assistants	\$32.78	Non-Exempt	1.0
Licensed Vocational Nurses	\$90,914.88	Exempt	1.0
Licensed Vocational Nurses	\$70,392.96	Exempt	1.0
Clinic Manager/LVN Supervisor	\$95,481.12	Exempt	1.0
Patient Referral Specialist	\$29.18	Non-Exempt	1.0
Medical Assistants	\$29.87	Non-Exempt	1.0
Nurse Practitioner	\$144,786.48	Exempt	1.0
Nurse Practitioner	\$134,187.12	Exempt	1.0
LVN Supervisor	\$80,228.16	Exempt	1.0
Certified Coding Specialist	\$106,090.08	Exempt	1.0
CEO/Clinic Administrator	\$183,660.96	Exempt	1.0
Authorization Specialist	\$31.93	Non-Exempt	1.0
Office Manager	\$85,402.80	Exempt	1.0
Authorization Specialist	\$28.84	Non-Exempt	1.0
Patient Referral Specialist	\$29.18	Non-Exempt	1.0
Medical Receptionist	\$25.46	Non-Exempt	1.0
Physician Assistant	\$153,985.20	Exempt	1.0
Physician Assistant	\$144,786.48	Exempt	1.0
RN Supervisor	\$111,065.04	Exempt	1.0

Sr. Medical Assistants	\$31.69	Non-Exempt	1.0
Physician Assistant	\$144,786.48	Exempt	1.0
Registration Supervisor	\$59,094.72	Exempt	1.0
Physician Assistant	\$144,786.48	Exempt	1.0
Medical Assistants	\$29.87	Non-Exempt	1.0
Sr. Medical Assistants	\$34.97	Non-Exempt	1.0
Medical Receptionist	\$25.46	Non-Exempt	1.0
Medical Assistants	\$29.87	Non-Exempt	1.0
Medical Assistants	\$29.87	Non-Exempt	1.0
Sr. Medical Assistants	\$32.78	Non-Exempt	1.0
Sr. Medical Assistants	\$33.88	Non-Exempt	1.0
IUR Supervisor	\$69,304.56	Exempt	1.0
Physician Assistant	\$144,786.48	Exempt	1.0
Data Analyst	\$78,499.44	Exempt	1.0
Patient Referral Specialist	\$28.84	Non-Exempt	1.0
Sr. MA Supervisor	\$68,186.16	Exempt	1.0
Sterilization Technician	\$37.63	Non-Exempt	1.0
Patient Referral Specialist	\$27.32	Non-Exempt	1.0
Medical Receptionist	\$25.46	Non-Exempt	1.0
Medical Assistants	\$29.87	Non-Exempt	1.0
Surgery Scheduler	\$68,174.88	Exempt	1.0
Surgery Scheduler Supervisor	\$76,491.12	Exempt	1.0
Medical Assistants	\$28.84	Non-Exempt	1.0
Medical Assistants	\$29.87	Non-Exempt	1.0
IUR Coordinator	\$31.55	Non-Exempt	1.0
Licensed Vocational Nurses	\$86,435.28	Exempt	1.0
Medical Assistants	\$29.87	Non-Exempt	1.0
Medical Assistants	\$29.87	Non-Exempt	1.0
Authorization Specialist	\$36.05	Non-Exempt	1.0

Medical Receptionist                      \$26.00 **\*Temp Employee Covering LOA**

Compensation for employees hired after the Effective Date will be consistent with AGENCY salary ranges and established budget. For employees who are currently paid salaries above AGENCY ranges, their salaries will be Y-rated, without any increases, until their salary is below AGENCY top of range.

## **EXHIBIT C PERFORMANCE METRICS**

CONTRACTOR may be paid up to an additional \$110,000. annually for the achievement of the following performance metrics:

### **Influenza vaccines administered to patients at Anacapa clinic (\$5,000)**

**Definition:** Measures the number of influenza vaccinations given in the Anacapa clinic locations during an influenza season. An influenza season is defined as spanning from when influenza vaccine is available (generally early September) until it expires the following June.

**Numerator:** The number of influenza vaccinations given in the Anacapa clinic locations during an influenza season.

**Denominator:** N/A (metric measures total number of vaccines)

**Target:** 10% improvement over the prior influenza season.

**Source:** AGENCY EHR.

### **Next available appointment by specialty (\$20,000)**

**Requirements:** CONTRACTOR shall submit next available appointment data for first, second, and third next available appointments for all appointment types on a monthly basis.

**Definition:** Next available appointment (first, second, and third next available appointment) is defined as the number of days between a patient's request for an appointment and the next available appointment. Only provider visits (NP, PA, MD, DO) qualify for this metric.

**Metric achievement:** Submission of complete and valid data demonstrating next available appointments that includes date of measurement, appointment type, 1<sup>st</sup>/2<sup>nd</sup>/3<sup>rd</sup> next available slot in calendar days by 10<sup>th</sup> business day of each month. The CONTRACTOR must submit complete, timely data during all months of the contract period and must include new and established 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> available appointments for all surgical specialties provided at ANACAPA CLINIC. Next available appointment data will be independently audited by the agency for accuracy.

Source: Agency EHR

### **Referral to Appointment Time (\$35,000):**

**Base requirements:** To be eligible for this metric, CONTRACTOR must participate in a collaborative process to clarify workflows, provide any missing data needed to calculate this metric, and use existing Agency EHR tools and workflows when necessary to calculate metric rates.

**Definition:** Time from referral to patient appointment is the amount of time patients wait to see a surgeon at ANACAPA CLINIC to establish care after receiving referrals from their primary care doctor or other provider. For example, on average, patients wait three (3) weeks for an appointment with a specialist, such as an otolaryngologist or neurosurgeon.

**Numerator:** The number of business days between the date the referral order enters a “sent” status to the date of the appointment with physician or APP at ANACAPA CLINIC, on average, across all appointments at ANACAPA CLINIC. Of note, referrals must be electronically linked to appointments in order to effectively measure this.

**Denominator:** The number of referrals placed by primary care providers and other referring providers that are sent to ANACAPA CLINIC.

**Target:** Within fifteen (15) business days.

**Source:** AGENCY EHR.

**Physician Satisfaction (\$50,000):**

**Definition:** The physician satisfaction metric assesses the performance of CONTRACTOR in management of the clinic experience of physicians providing services at ANACAPA CLINIC.

**Numerator:** The number of physicians who rate CONTRACTOR positively in an annual survey. A positive response is a score of 9 to 10 on a scale of 1-10 for questions which may include but are not limited to the following:

1. How likely are you to recommend working at this office to a fellow surgeon?
2. Do you have the tools you need to perform your work in this clinic?
3. Is the management responsive to your concerns regarding the clinic?

**Denominator:** The number of physicians who complete the survey.

**Target:** Eighty-five percent (85%) or above.

**Source:** A physician survey developed by AGENCY with input from CONTRACTOR. The survey will be conducted no later than December 31 of each contract year.

CONTRACTOR’s performance of these metrics will be evaluated by AGENCY by no later than January 31, 2026, and on January 31 of each subsequent contract year. Any

payment due to CONTRACTOR will be paid in a lump sum by no later than March 31, 2026, and March 31 of each subsequent contract year.

**EXHIBIT D  
OFFICE SPACE LICENSE AGREEMENT**

**THIS OFFICE SPACE LICENSE AGREEMENT** (“License”) is made and entered into the date last below written by and between **ANACAPA SURGICAL GROUP, INC.**, hereinafter referred to as “**Licensee**,” and **COUNTY OF VENTURA**, a subdivision of the State of California, hereinafter referred to as “**Licensor**.”

1. **Licensee** operates and provides ANACAPA CLINIC services to patients as set forth in the Management Services Agreement with Anacapa Surgical Group, Inc. for the Operation of Anacapa Clinic (“**Agreement**”). In order to allow **Licensee** to fulfill the obligations described in the **Agreement**, **Licensor** gives unto **Licensee** the privilege to use the office space located at 300 Hillmont Ave., Building 340, Suite 401 and Suite 402, Ventura, CA 93003, as described in Attachment A hereto (hereinafter “Office Space”) pursuant to the terms, conditions, law, rules and regulations stated and referenced herein.
2. The term of this License shall commence on July 1, 2025 and be coterminous with the **Agreement**, and any amendments thereto, signed by the parties. The parties agree that **Licensor** may subsequently assign **Licensee** a different location to replace the **Office Space** described in Attachment A.
3. Either party hereto may cancel this License for any reason by giving forty-five (45) days’ prior notice by certified mail to the other party. **Licensor** may terminate this License at any time, and without prior notice to Licensee, in the event **Licensee** violates any law, rule, regulation or any lawful instruction of **Licensor**, or disregards or breaches any of the terms or conditions herein.
4. **Licensor** shall procure and maintain for the term of this License, at **Licensor’s** expense, general premises public liability insurance, including bodily injury and property damage, of not less than one million dollars (\$1,000,000). **Licensor** shall provide a certificate of said insurance to **Licensee** concurrently upon the execution of this License which shall be attached as Attachment B hereto.
5. Upon termination or forfeiture of this License for any reason, **Licensee** shall immediately cease using the Office Space and turn over occupancy to Licensor in good condition and repair. Licensee shall be responsible for the cost of repairing all damage caused to the Office Space during the term of the License. Any vehicles, fixtures, equipment, tools or other personal property that are not removed from Office Space within fourteen (14) days of termination shall, at the election of **Licensor**, become the property of **Licensor** and **Licensor** may thereafter either (1) retain all or any part of the same as **Licensor’s** property without payment to **Licensee** or (2) cause all or any part of the same to be removed from Office Space and disposed of, but the cost of any such removal and disposition and the cost of repairing any damage caused by such removal shall be borne by **Licensee**.
6. **Office Space** shall be used and occupied solely for the operation of ANACAPA CLINIC (as defined in the Agreement) for the treatment of ANACAPA CLINIC patients and uses incidental thereto. **Licensee** shall not conduct any commercial activity in Office Space other than those activities listed in the **Agreement**.
7. **Licensee** shall not make or cause to be made any alteration to the Office Space without the prior written consent of **Licensor**. If **Licensee** desires to engage or use the services of another person in connection with any improvements or repairs, **Licensee** shall give written notice of such intention prior to commencement of any work. Said notice shall state the name, address, and qualifications of such person, and **Licensor** shall have the right to refuse to permit, condition, or to stop any such work.
8. **Licensee’s** use of the office space shall conform to all County of Ventura rules and regulations, and local building and fire codes. **Licensee** shall not engage in or permit any activity on Office Space which causes an increase to **Licensor’s** insurance rates or damage to the **Licensor’s**

property. The use of power tools on Office Space which increases the hazard of fire is strictly prohibited. **Licensee** agrees to fully and promptly compensate **Licensor** upon demand for any and all costs associated with the loss of and damage to **Licensor's** property caused by **Licensee's** use or possession of Office Space.

9. The use of combustible chemicals, painting, welding, or repairs is strictly prohibited.
10. **Licensee** shall not exercise any right granted herein in a manner which unreasonably interferes with the lawful use by others of the building in which the Office Space is situated.
11. **Licensee** shall permit **Licensor's** authorized agents free access to Office Space at all reasonable times, upon reasonable notice to **Licensee**, for the purpose of inspection or for making improvements or repairs deemed necessary by **Licensor**.
12. **Licensee** shall maintain the Office Space in a safe and unobstructed manner, keeping same free of obstacles, debris and hazardous conditions. **Licensee** agrees to pay for all damages to Office Space, as well as all damage to other occupants of Office Space or the building in which Office Space is situated and to the property of those occupants caused by **Licensee's** misuse or neglect of Office Space.
13. **Licensor** shall pay before delinquency, all taxes or assessments which at any time may be levied by the State, County, City, or any other tax assessment levying body upon Office Space and any improvements or fixtures located thereon. **Licensor** shall also pay all taxes, assessments, fees, and charges on all merchandise fixtures and equipment owned or used thereon.
14. **THIS LICENSE IS PERSONAL TO THE LICENSEE AND SHALL NOT BE TRANSFERRED, IN WHOLE OR IN PART, OR ASSIGNED. AT LICENSOR'S ELECTION, ANY ATTEMPT BY LICENSEE TO DO SO SHALL RESULT IN THE IMMEDIATE TERMINATION OF THIS LICENSE.**
15. In addition to any other indemnifications provided elsewhere in this License, **Licensee** agrees to release, indemnify, defend and hold harmless **Licensor**, its boards, commissions, districts, agencies, departments, officers, elected and appointed officials, employees, contractors, consultants, volunteers and agents (collectively, the "**Indemnified Parties**") from and against all liabilities, losses, judgments, lawsuits, causes of action, obligations, debts, demands, damages, penalties, claims, costs, charges and expenses, including reasonable attorneys' fees, which may be imposed or incurred or asserted (whether real or claimed) against the **Indemnified Parties** by reason of any act, omission, use or possession by **Licensee** or any party acting on **Licensee's** behalf arising from or related to this License.
16. As part of **Licensee's** consideration hereunder, **Licensee** acknowledges and agrees that in no event shall **Licensor** be responsible or liable for theft, loss, injury, damage, or destruction of any of **Licensee's** property, or for any accident or personal injury to **Licensee**, or **Licensee's** employees, agents, contractors, patients, visitors, etc., it being specifically understood and agreed that this License is for the privilege of **occupancy only**.
17. If any provision of this License shall be determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this License and all such other provisions shall remain in full force and effect.
18. No waiver of any default or defaults hereunder shall operate or be construed as a waiver of any other default or defaults, whether of a like or different character.
19. This License may only be modified in writing executed by both parties hereto.

20. Licensee's contact information:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Phone #: \_\_\_\_\_ Business Phone: \_\_\_\_\_

State License #: \_\_\_\_\_ Insurance Co. \_\_\_\_\_

Policy No. \_\_\_\_\_ Phone #: \_\_\_\_\_

IN WITNESS WHEREOF, this License is executed by and between Licensor and Licensee on this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_.

**LICENSEE  
ANACAPA SURGICAL GROUP, INC.**

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

By: \_\_\_\_\_  
Thomas K. Duncan, D.O.  
President

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

By: \_\_\_\_\_  
Barry Sanchez, M.D.  
Vice President

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

By: \_\_\_\_\_  
Javier Romero, M.D.  
Secretary

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

By: \_\_\_\_\_  
Jeremy Schweitzer, M.D.  
Treasurer

**LICENSOR  
COUNTY OF VENTURA**

By \_\_\_\_\_

**ATTACHMENTS**

**ATTACHMENT A: DESCRIPTION OF OFFICE SPACE**

**ATTACHMENT B: CERTIFICATE OF INSURANCE**