

COUNTY OF VENTURA CONTRACT NUMBER _____

This Contract is hereby entered into by and between the County of Ventura (County) and Margin Healthcare LLC, an Arizona limited liability company, with its principal place of business at 1238 E. Vogel Avenue, Unit #6, Phoenix, Arizona, 85020 (Contractor) (collectively, parties).

WHEREAS, it is necessary and desirable that Contractor be engaged by County for the purpose of performing revenue cycle consulting services hereinafter described.

NOW, THEREFORE, IT IS HEREBY AGREED by the parties as follows:

1. **SERVICES TO BE PERFORMED BY CONTRACTOR**

Contractor will perform services for County in accordance with the terms, conditions and specifications set forth herein and in Exhibit A, which is incorporated herein by reference.

2. **PAYMENTS**

For services rendered in accordance with all terms, conditions and specifications set forth herein and in Exhibit A, County will make payment to Contractor in the amount and in the manner specified in Exhibit A.

3. **INDEPENDENT CONTRACTOR**

Contractor is an independent contractor, and no relationship of employer and employee is created by this Contract. Neither Contractor nor any of the persons performing services for Contractor pursuant to this Contract, whether said person be a member, partner, employee, subcontractor or otherwise of Contractor, will have any claim under this Contract or otherwise against County for sick leave, vacation pay, retirement benefits, social security, workers' compensation, disability, unemployment insurance benefits, or other employee benefits of any kind.

Except as provided in this Contract, Contractor in the performance of the services hereunder agreed to be performed is subject to the control or direction of County solely as to the results to be accomplished by the services and not as to the means and methods for accomplishing the results.

If, in the performance of this Contract, any third persons are employed by Contractor, such persons will be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment, including hours, wages, working conditions, discipline, hiring and discharging, and applicable requirements of law will be the responsibility of and determined by Contractor, and County will have no right or authority over such persons or the terms of such employment, except as provided in this Contract.

Contractor will comply with all applicable provisions of the Worker's Compensation Insurance and Safety Act of the State of California (codified as amended commencing at Labor Code section 3200), including, without limitation, divisions 4 and 5 of the California Labor Code, and all amendments thereto, and all similar state and federal laws, and will

indemnify and hold harmless County from and against all claims, demands, payments, suits, actions, proceedings and judgments of every nature and description, including attorney fees and costs, presented, brought or recovered against County, for or on account of any liability under any of said laws which may be incurred by reason of any work to be performed under this Contract.

4. **NON-ASSIGNABILITY**

Contractor will not assign this Contract or any portion thereof to a third party without the prior written consent of County, and any attempted assignment without such prior written consent will be null and void and will be cause, at County's sole and absolute discretion, for immediate termination of this Contract. County may withhold its consent to assignment at its discretion.

5. **TERM**

The term of this Contract will commence on January 1, 2024 and be in effect through December 31, 2024 unless earlier terminated pursuant to the terms and conditions set forth herein.

This Contract may, upon mutual agreement, be extended for additional one (1) year periods.

Continuation of the Contract is subject to the appropriation of funds for such purpose by County's Board of Supervisors. If funds to effect such continued payment are not appropriated, County may terminate this Contract and Contractor will relieve County of any further obligation hereunder.

6. **TERMINATION**

County may terminate this Contract at any time, by providing ten days' written notice to Contractor. In the event of termination under this section, Contractor will be paid for all work provided to the date of termination, as long as such work meets the terms and conditions of this Contract. Contractor hereby expressly waives any and all claims for damages or compensation arising under this Contract except as set forth in this section in the event of such termination. This right of termination belonging to County may be exercised without prejudice to any other remedy to which County may be entitled at law or under this Contract.

7. **INDEMNIFICATION AND HOLD HARMLESS**

All services, work and/or activities covered by this Contract will be at the risk of Contractor alone. Contractor agrees to defend, through attorneys approved by County, indemnify, and save harmless County and its boards, agencies, departments, officers, employees, agents and volunteers against any and all claims, lawsuits, whether against Contractor, County or others, judgments, debts, demands and liability, including, without limitation, those arising from injuries or death of persons and/or for damages to property, arising directly or indirectly out of the obligations herein described or undertaken or out of

operations conducted or subsidized in whole or in part by Contractor, save and except claims or litigation arising through the sole gross negligence or sole willful misconduct of County.

8. INSURANCE PROVISIONS

- A) Contractor, at Contractor's sole cost and expense, will obtain and maintain in full force during the term of this Contract the following types of insurance:
- 1) General liability "occurrence" coverage in the minimum amount of \$1,000,000 combined single limit (CSL) bodily injury and property damage each occurrence and \$2,000,000 aggregate, including personal injury, broad form property damage, products/completed operations, broad form blanket contractual and \$50,000 fire legal liability.
 - 2) Commercial automobile liability coverage in the minimum amount of \$1,000,000 CSL bodily injury and property damage, including owned, non-owned, and hired automobiles. Also to include uninsured/underinsured motorists coverage in the minimum amount of \$100,000 when there are owned vehicles.
 - 3) 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 \$1,000,000. Workers' compensation coverage is not required if Contractor provides written verification it has no employees and has other medical coverage.
 - 4) Professional liability coverage in the minimum amount of \$1,000,000 each occurrence and \$2,000,000 aggregate.
 - 5) Cyber liability/security and privacy insurance coverage in the minimum amount of \$2,000,000 per occurrence and \$4,000,000 annual aggregate.
- B) All insurance coverage Contractor is required to obtain and maintain will be primary coverage as respects County, and any insurance or self-insurance maintained by County will be excess of Contractor's insurance coverage and except with respect to professional liability coverage, will not contribute to it.
- C) County is to be notified immediately if any aggregate insurance coverage is lowered below required limits. Contractor must purchase additional coverage to meet requirements.
- D) For the general liability insurance required above, County is to be named as additional insured as respects work done by Contractor under the terms of this Contract.
- E) Contractor agrees to waive all rights of subrogation against County and its boards, agencies, departments, officers, employees, agents and volunteers for losses arising directly or indirectly from the services, work and/or activities performed under the terms of this Contract.

- F) Policies will not be canceled, non-renewed or reduced in scope of coverage until after sixty (60) days' written notice has been given to County. Contractor will provide prompt written notice of non-renewal, termination or diminution below required limits to County's Risk Management Division, located at 800 S. Victoria Ave., Ventura, CA 93009.
- G) Contractor agrees to provide County with the following insurance documents on or before the commencement date of this Contract:
 - 1. Certificates of insurance for all required coverage.
 - 2. Additional Insured endorsement for general liability insurance.
 - 3. Waiver of subrogation endorsement (also known as waiver of transfer rights of recovery against others, waiver of our right to recover from others) for workers' compensation insurance.

Failure to timely provide these documents, upon County's request, will be, at County's sole discretion, grounds for immediate termination of this Contract or suspension of the commencement date.

9. CONTRACTOR INVESTIGATION AND RESEARCH; ENTIRE UNDERSTANDING

Contractor by investigation and research has acquired reasonable knowledge of all conditions affecting the services to be performed under this Contract, and Contractor acknowledges that Contractor's execution of this Contract is based on such investigation and research, and not upon any representation made by County or any of its officers, agents or employees, except as provided herein. This Contract supersedes all previous agreements, understandings and representations of any nature whatsoever, whether oral or written, between the parties hereto, and constitutes the entire understanding between them, regarding the subject matter hereof. Contractor acknowledges that no representations, inducements or promises have been made by or on behalf of County except those expressly set forth herein and that no representation, inducement or promise not contained in this Contract will be valid or binding against County.

10. CONTRACT MONITORING

County will have the right to review the work being performed by Contractor under this Contract at any time during Contractor's usual working hours. Review, checking, approval or other action by County will not relieve Contractor of Contractor's responsibility for the thoroughness of the services to be provided hereunder. This Contract will be administered on behalf of County by the Health Care Agency Director or his or her authorized representative.

11. CHANGES TO CONTRACT

County may from time to time require changes in the scope of the services or other terms or conditions of this Contract. Such changes, including any increase or decrease in the amount of Contractor's compensation, which are mutually agreed upon by the parties will be effective only when set forth in a written amendment to this Contract signed by the parties.

12. CONFLICT OF INTEREST

Contractor covenants that Contractor presently has no interest, including, but not limited to, other projects or independent contracts, and will not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. Contractor further covenants that in the performance of this Contract no person having such interest will be employed or retained by Contractor under this Contract.

13. CONFIDENTIALITY

Any reports, information, data, statistics, forms, procedures, systems, studies, communications or other forms of knowledge given to or prepared or assembled by Contractor under this Contract which County requests in writing to be kept confidential will not be made available to any individual or organization by Contractor without the prior written approval of the County except as authorized by law.

14. NOTICES

All notices required under this Contract will be made in writing and addressed or delivered as follows:

TO COUNTY: COUNTY OF VENTURA
HEALTH CARE AGENCY
5850 THILLE STREET, 1ST FLOOR
VENTURA, CALIFORNIA 93003

TO CONTRACTOR: Margin Healthcare LLC
1238 E. Vogel Avenue Unit #6
Phoenix, Arizona 85020

Either party may, by giving written notice in accordance with this paragraph, change the names or addresses of the persons or departments designated for receipt of future notices. When addressed in accordance with this paragraph and deposited in the United States mail, postage prepaid, notices will be deemed given on the third day following such deposit in the United States mail. In all other instances, notices will be deemed given at the time of actual delivery.

15. GOVERNING LAW

The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties under this Contract, will be construed pursuant to and in accordance with the laws of the State of California, without regard to its choice of law rules.

16. SEVERABILITY OF CONTRACT

If any term of this Contract is held by a court of competent jurisdiction to be void or unenforceable, the remainder of the Contract terms will remain in full force and effect and will not be affected.

17. CUMULATIVE REMEDIES

The exercise or failure to exercise of legal rights and remedies by the County of Ventura in the event of any default or breach hereunder will not constitute a waiver or forfeiture of any other rights and remedies and will be without prejudice to the enforcement of any other right or remedy available by law or authorized by this Contract.

18. COMPLIANCE WITH LAWS

All parties to this Contract shall comply with all applicable laws and regulations. Specifically, but without limiting the generality of the foregoing, there is no intention on behalf of County in connection with this Contract 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 and ethical standards, in accordance with applicable laws, and in the best interests of the patient. Neither the compensation paid pursuant to this Contract, nor any other consideration or remuneration to Contractor or otherwise, or to any member of Contractor's employees, currently or in the future, is or will be based on any expectation of referrals, or on Contractor making or not making referrals to any particular person, entity or facility.

19. COOPERATION WITH COMPLIANCE EFFORTS OF COUNTY

Contractor agrees to cooperate with County as may be required for County to meet all requirements imposed on it by law or by the rules, regulations and standards of applicable federal, state or local agencies, the standards of the Joint Commission, any other agency that accredits County hospitals, and all public and private third party payers, including, without limitation, Medicare and Medi-Cal. Contractor has received County hospital's Code of Conduct, agrees to abide by it, and will execute a certification to that effect. Contractor shall cooperate with all compliance related activities of County hospital which include, without limitation, attending 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 Contract.

20. REPRESENTATIONS AND WARRANTIES

Contractor represents and warrants that Contractor is not, and during the term of this Contract shall not be: (a) suspended or excluded from participation in any federal or state health care program, (including, without limitation, Medicare, Medi-Cal, or CHAMPUS/Tricare), or (b) 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 (c) suspended, excluded or sanctioned under any other federal program, including the Department of Defense and the Department of Veterans Affairs.

Contractor shall notify County immediately if any event occurs which would make the foregoing representations untrue in whole or part. Notwithstanding any other provision of this Contract, County shall have the right to immediately terminate this Contract for any breach of any of the foregoing representations and warranties.

21. CONSTRUCTION OF COVENANTS AND CONDITIONS

Each term and each provision of this Contract will be construed to be both a covenant and a condition.

22. ACCESS TO AND USE OF COUNTY TECHNOLOGY

As part of this Contract Contractor shall agree with and abide by the provisions set forth in the Ventura County Non-Employee Information Technology Usage Policy, which by this reference is made a part hereof. Any employee, sub-contractor, or agent of the Contractor who will access (which shall include, but is not limited to, the use, maintenance, repair or installation of) County information technology in the course of his, or her, work for the County is required to sign the Ventura County Non-Employee Information Technology Usage Policy before accessing, using, maintaining, repairing or installing any County information technology system or component. Information technology shall include, but is not limited to, the network, Internet access, electronic mail, voice mail, voice message systems, facsimile devices, or other electronic or telecommunication systems used by the County.

23. RESTRICTIONS ON USE OR DISCLOSURE OF PROTECTED HEALTH INFORMATION

Contractor will not use or disclose protected health information other than as permitted or required by this Contract or as required by law as outlined in Exhibit B.

24. UPON TERMINATION OF CONTRACT

On completion or termination of this Contract, County will be entitled to immediate possession of and Contractor will furnish on request, all computations, plans, correspondence and other pertinent data gathered or computed by Contractor for this particular Contract prior to any termination. Contractor may retain copies of said original documents for Contractor's files.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Contract as of the date identified above.

COUNTY OF VENTURA

CONTRACTOR

Authorized Signature

Authorized Signature

Printed Name

Printed Name

Title

Title

Date

Date

EXHIBIT A

PROJECT OBJECTIVES

Contractor understands County is in need of assistance managing the patient revenue cycle within the Health Care Agency (HCA), especially revenue integrity, charge description master (CDM) updates, care coordination / utilization management (UM), health information management (HIM), patient access and vendor management. Objectives of the project are subject to updates as directed by HCA Executive Leadership. HCA Operations Directors, to include patient access services, HIM, UM, and those in need of assistance with respective to CDM updates, will review, evaluate, and implement initiatives and measures to focus on improving revenue cycle workflows and processes, including staff education and training while maintaining a focus on the patient experience. HCA and Contractor will work together to make improvements with specific emphasis as directed by County.

Contractor will offer support related to compliance efforts within the revenue cycle as requested, which will include policy and procedure development, as well as revenue integrity initiatives, to include items such as appropriate charge capture, identification of new sources of revenue capture, and steps to implement such initiatives.

SCOPE OF WORK AND CONTRACTOR RESPONSIBILITIES

Contractor will provide operations evaluations and assistance as described above. Contractor will provide diagnostic updates to identify process and net revenue improvement opportunities, with implementation of specific initiatives as directed by County to improve key processes and net revenue occurring concomitantly.

Additionally, as directed by County, Contractor will assist HCA Operations Directors to include those identified above in need of assistance with respective CDM updates, evaluate the current situation, provide recommended improvements, and oversee the implementation of recommendations that may include, but are not limited to, the following areas:

- Patient access - includes pre-registration, insurance verification, registration, and eligibility
- Pre-certification/pre-authorization
- Charge capture processes
- Coding assignment process (including assignment of both hardcoded and soft coded codes)
- Clinical documentation integrity program review
- Case management and utilization management
- Payor contract provisions
- Denial management (denials for Authorization or Eligibility)
- Workflow improvements in the areas identified above
- Reporting and metrics

DIAGNOSTIC ASSESSMENT APPROACH

Contractor's approach during the diagnostic assessment utilizes Contractors' experience in identifying and implementation of focused process and other improvements that yield measurable cash acceleration and additional annual net revenue. Contractors' focus will concentrate on HCA hospitals and ambulatory care clinics.

IMPLEMENTATION APPROACH

Contractor's approach to implementation is both structured and collaborative. We have found that both elements are critical to sustainable and long-term success.

The implementation approach is structured because the work and results are driven by specific and tangible project work plans, benefit measurement and tracking tools, communication vehicles, coaching and guidance sessions, and continual monitoring. It is also collaborative in that we view this work as a partnership, and we will work with County to achieve results and position HCA for long-term success and sustainability.

Managing change is a large component of facilitating success within a large transformation engagement. Our approach is to facilitate that change through preparation, communication, active listening, and being responsive to individuals and teams as we work through each individual initiative.

COUNTY RESPONSIBILITIES AND PROJECT ASSUMPTIONS

County will provide one or more executive stakeholders responsible for making management decisions related to this Contract. County is responsible for reviewing and accepting or modifying Contractor deliverables. County is responsible for all implementation decisions and for any future action with respect to the matters addressed by Contractor.

County is responsible for the following:

- Assigning an executive sponsor for this engagement.
- Providing HCA senior level leadership for key decisional and update meetings, as warranted.
- Communicating with Contractor about scope of services needed by County.
- Communicating engagement objectives to key stakeholders to encourage idea sharing and collaboration among all functional areas and with Contractor.
- Providing system access for the review of accounts and records.
- Providing a suitable, HIPAA compliant workspace with internet access.
- Coding, charging and billing of all patient claims to third-party payers, and making all determinations on the appropriate charging, coding, billing and rebilling of claims in accordance with all applicable rules and regulations, including but not limited to local, state, federal, and payer specific rules and regulations.
- Ensure Contractor personnel have access to the appropriate systems, staff, and resources to successfully execute the objectives of this Contract.

ENGAGEMENT ASSUMPTIONS

The services, fees and delivery schedule for this Contract are based upon the following assumptions, representations or information supplied by either party (Assumptions).

- HCA leadership will set priorities for Contractor based on HCA needs. Examples of areas of focus may include ensuring compliance with the No Surprises Act, Pricing Transparency regulations, Experian/Oracle implementation support, and working with outside auditors to address revenue integrity questions.
- County will provide timely recommendations.
- Contractor will respond to questions and comments in a timely manner.
- Contractor will not be auditing any financial statements or performing attest procedures. Contractor's services are not designed, nor should they be relied upon, to disclose weaknesses in internal controls, financial statement errors, illegal acts or irregularities, or any disclosure deficiencies. It is understood and agreed that Contractor is not providing legal services or a legal opinion to County or any other person or entity on any matters encompassed by this, subsequent change orders from County, or otherwise.
- Implementation of new and revised processes, coach and assist in developing staff.
- It is the intention of both parties to have Contractor assist with implementation services as requested by HCA leadership.
- Contractor staff may work remotely but will be onsite as needed to ensure the success of the project or as requested by HCA leadership.
- At all times, the parties will comply with Centers for Disease Control and Prevention COVID-19 prevention recommendations.

COMPENSATION SCHEDULE

The professional fees charged will be determined by the actual hours worked on the engagement at the all-inclusive rate of one hundred sixty-five dollars (\$165.00) per hour. Compensation includes all fees for all services, including travel, meals, incidentals, etc. for all staff assigned. The Contract not-to-exceed amount is four hundred sixty-five thousand dollars (\$465,000) per calendar year. Payment terms are net thirty (30) days, in arrears for services rendered and upon the receipt of valid and correct invoices. All invoices must provide detail including the name of the person performing the work, the dates and hours of services provided, and tasks performed. Invoices are to be sent to the following address:

VCMC.AccountsPayable@ventura.org

Or

VCMC Accounts Payable
800 South Victoria Ave., L #4610
Ventura, CA 93009

Exhibit B

Restrictions on Use or Disclosure of Protected Health Information

Contractor will not use or disclose protected health information other than as permitted or required by this Contract or as required by law. For the purposes of this Exhibit B, “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.

- a. Permitted Uses and Disclosures - Contractor may use or disclose protected health information only 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 County. Contractor will document any disclosures of protected health information not permitted by law.
- b. 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 Contract, including ensuring that any agent, including a subcontractor, to whom Contractor provides protected health information received from, or created or received by, Contractor on behalf of County agrees to the same restrictions and conditions that apply through this Contract to Contractor with respect to such information. Such safeguards shall include compliance with the requirements of the 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 County any use or disclosure of protected health information not provided for by this Contract of which Contractor 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 Contract. Notification to County 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 Contract, Contractor will return or destroy all protected health information created or received by Contractor on behalf of County and retain no copies of such information. If it is not feasible to return or destroy the protected health information, Contractor shall provide County notification of the conditions that make return or destruction infeasible and Contractor shall extend the protections set forth in this Exhibit B 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.
- c. 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 occurring six (6) years prior to the date on which the accounting is requested. Contractor will make protected health information available to County for inspection, amendment and copying. Contractor will make Contractor’s internal practices, books and records relating to the use and disclosure of protected health information available to County or the

Secretary, U.S. Department of Health and Human Services, as applicable, for purposes of determining Contractor's or County's compliance with 45 CFR Part 164.

- d. No Remuneration - 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.
- e. Contractor agrees that to the extent Contractor is to carry out one or more of County's obligations under Subpart E of 45 CFR Part 164, Contractor will comply with the requirements of Subpart E that apply to County in the performance of such obligations.