AGENDA

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS

Kern Medical Center
1700 Mount Vernon Avenue
Conference Room 1058
Bakersfield, California 93306

Regular Meeting
Wednesday, April 15, 2026

11:30 A.M.

BOARD TO RECONVENE

Board Members: Anderson, Berjis, McLaughlin, Merz, Pelz, Pollard, Stout
Roll Call:

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" OR "C" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN COUNTY HOSPITAL AUTHORITY STAFF. THE "CA" OR "C" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE BOARD OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE BOARD CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS

PUBLIC PRESENTATIONS

1) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. In addition, the Board may take action to direct the staff to place a matter of business on a future agenda. SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2)) –

ITEMS FOR CONSIDERATION

CA
3) Minutes for the Kern County Hospital Authority Board of Governors regular meeting on March 18, 2026 and special meeting on April 1, 2026 –
APPROVE

CA
4) Proposed Amendment No. 3 to Agreement 052-2023 with Ralph Garcia-Pacheco Suarez, M.D., a contract employee, for professional medical services in the Department of Medicine for the period April 22, 2023 through April 21, 2026, increasing the per diem rate for hospitalist shift coverage from $1,672 to $1,840 per 12-hour shift, extending the term for two years from April 22, 2026 through April 21, 2028, and increasing the maximum payable by $1,600,000, from $2,250,000 to $3,850,000, to cover the extended term –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
5) Proposed Agreement with Cameron D. Furey, M.D., a contract employee, for professional medical services in the Department of Medicine from August 15, 2026 through August 14, 2029, in an amount not to exceed $3,200,000, plus applicable benefits –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
6) Proposed retroactive Change Order Notice for Quote 2009359518 to Agreement 130-2022 with GE HealthCare, an independent contractor, for software updates for the new CT machine, at no additional cost –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN

CA
7) Proposed Agreement with McMurtrey Lince, Inc., an independent contractor, for installation of laboratory equipment, in an amount not to exceed $280,514, effective April 15, 2026, until project completion –
MAKE FINDING THAT THE PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW PER SECTIONS 15301, 15302 AND 15061(b)(3) OF STATE CEQA GUIDELINES; APPROVE; AUTHORIZE CHAIRMAN TO SIGN; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN FUTURE CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED 10% OF THE TOTAL CONTRACT PRICE OF $308,566

CA
8) Proposed Amendment No. 1 to Agreement 141-2025 with Nwestco, LLC, an independent contractor, for construction services related to abandonment of the underground storage tank for the period December 17, 2025, until project completion, increasing the maximum payable by $14,613, from $108,754 to $123,367, to cover the project –
MAKE FINDING THAT THE PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW PER SECTIONS 15301, 15302 AND 15061(b)(3) OF STATE CEQA GUIDELINES; APPROVE;

AUTHORIZE CHAIRMAN TO SIGN; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN FUTURE CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED 10% OF THE TOTAL CONTRACT PRICE OF $135,703

CA 9) Proposed Amendment No. 1 to Agreement 69623 with Enviro Services, Inc., doing business as Monitronics, an independent contractor, for services related to certification of the Pharmacy intravenous preparation room for the period May 10, 2023 through May 9, 2026, extending the term for three years from May 10, 2026 through May 9, 2029, and increasing the maximum payable by $45,000, from $20,000 to $65,000, to cover the term –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA 10) Proposed Amendment to Agreement 039-2025 with Beckman Coulter, Inc., an independent contractor, for service and products for hematologic diagnostic testing for the period of November 20, 2016 through April 14, 2026, extending the term for one year from April 15, 2026 through April 15, 2027, and increasing the maximum payable by $125,000, from $976,160.45 to $1,101,161, to cover the extended term –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA 11) Proposed Agreement with GE Precision Healthcare, an independent contractor, for purchase of a SIGNA™ Voyager 49-ch mobile MRI unit from April 15, 2026 through April 14, 2031, in an amount not to exceed $2,350,000 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA 12) Proposed Agreement with GE HealthCare, an independent contractor, for service and maintenance of the SIGNA™ Voyager 49-ch mobile MRI unit, effective 12 months from the date of delivery for a term of 12 months, in an amount not to exceed $89,766 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA 13) Proposed Agreement with AMST, A Marmon Berkshire Hathaway Company, an independent contractor, for service and maintenance of the MRI trailer from April 15, 2027 through April 14, 2032, in an amount not to exceed $240,000 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA 14) Proposed retroactive Memorandum of Understanding with the County of Kern, as represented by Behavioral Health and Recovery Services from April 1, 2026 through September 30, 2026, with no set maximum payable –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA 15) Proposed Change Order to First Amendment to Agreement 67622 with Qualtrics LLC, an independent contractor, for patient and employee experience surveys for the period November 23, 2022 through November 15, 2028, increasing the number of experience surveys annually, and increasing the maximum payable by $38,250, from $714,459 to $752,709, to cover the cost of additional services –
APPROVE; AUTHORIZE TO SIGN

CA
16) Proposed Rental Agreement with UBEO West, LLC, an independent contractor, containing nonstandard terms and conditions, for purchase of printing hardware, software, and maintenance from May 1, 2026 through April 30, 2027, in an amount not to exceed $600,000 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN FOR PURCHASES NOT TO EXCEED THE APPROVED MAXIMUM PAYABLE

CA
17) Proposed Ordering Document CPQ-4230218 with Oracle America, Inc., an independent contractor, containing nonstandard terms and conditions, for purchase of equipment, software, and support for vital signs devices, effective April 15, 2026, in an amount not to exceed $4,412, plus fees and taxes –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
18) Proposed Amendment No. 7 to Agreement 30718 with JDM Solutions, Inc., an independent contractor, for consulting services related to the Oracle Electronic Health Record for the period November 21, 2018 through April 30, 2026, extending the term for one year from May 1, 2026 through April 30, 2027, and increasing the maximum payable by $725,200, from $5,009,236 to $5,734,436, to cover the extended term –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
19) Proposed Order Form Q-98443-1 with TigerConnect®, Inc., an independent contractor, containing nonstandard terms and conditions, for subscription services related to the clinical communication platform for the period of March 22, 2024 through April 14, 2026, extending the term for three years from April 15, 2026 through April 14, 2029, and increasing the maximum payable by $1,002,000, from $532,550 to $1,534,550, to cover the extended term –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
20) Proposed recission of Quote Q-00676256 040-2026 with Philips Healthcare, a division of Philips North America LLC, and approval of Quote Q-00730828 with Philips Healthcare, a division of Philips North America LLC, an independent contractor, containing nonstandard terms and conditions, for purchase of a Philips Cardiac Workstation 7000 and diagnostic cardiology/ECG implementation services, in an amount not to exceed $21,927 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
21) Report on upcoming anticipated retroactive agreements –
RECEIVE AND FILE

22) Proposed retroactive Amendment No. 4 to Agreement 045-2022 with Randolph Fok, M.D., an independent contractor, for professional medical services in the Department of Obstetrics and Gynecology for the period April 1, 2024 through March 31, 2026, extending the term for two years from April 1, 2026 through March 31, 2028, and increasing the maximum payable by $750,000, from $1,515,000 to $2,265,000, to cover the term –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

23) Kern County Hospital Authority Chief Financial Officer report –
RECEIVE AND FILE

24) Kern County Hospital Authority Chief Executive Officer report –
RECEIVE AND FILE

CA
25) Monthly report on What's Happening at Kern Medical Center –
RECEIVE AND FILE

CA
26) Claims and Lawsuits Filed as of March 31, 2026 –
RECEIVE AND FILE

ADJOURN AS KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS; RECONVENE AS KERN MEDICAL SURGERY CENTER, LLC BOARD OF MANAGERS

C-27) Kern Medical Surgery Center, LLC, Administrative Report –
RECEIVE AND FILE

C-28) Proposed credentialing recommendations –
APPROVE

C-29) Proposed Incentive Compensation payable to the Kern Medical Surgery Center Business Office Manager in an amount not to exceed $25,000, less all applicable federal and state taxes and withholdings, based on total collections of $5,334,054 for calendar year ended December 31, 2025 –
APPROVE

C-30) Proposed Kern Medical Surgery Center Business Office Manager incentive compensation schedule for calendar year 2026 –
APPROVE

31) Proposed retroactive Letter of Participation with Johnson & Johnson Health Care Systems Inc., an independent contractor, containing nonstandard terms and conditions, for purchase of disposable surgical supplies, in an amount not to exceed $50,000 per year, effective February 13, 2026 –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN

32) Public hearing pursuant to Government Code Section 3502.3 regarding Kern Medical Surgery Center, LLC vacancies, recruitment and retention efforts (Assembly Bill 2561) –
OPEN HEARING; RECEIVE PUBLIC COMMENT; CLOSE HEARING; RECEIVE AND FILE

33) Proposed Kern Medical Surgery Center, LLC operating budget for fiscal year 2026-2027 –
APPROVE

ADJOURN AS KERN MEDICAL SURGERY CENTER, LLC, BOARD OF MANAGERS; RECONVENE AS KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

ADJOURN TO CLOSED SESSION

CLOSED SESSION

34) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) –

35) Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) –

36) CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Advanced Imaging Services, Inc., Plaintiff, v. Kern County Hospital Authority d/b/a Kern Medical Center, Defendant, Kern County Superior Court Case No. 26CUB00843 BCB –

37) Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) –

38) CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Vice President & General Counsel Karen S. Barnes, and designated staff - Unrepresented Employee: Chief Executive Officer (Government Code Section 54957.6) –

RECONVENE FROM CLOSED SESSION

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

ADJOURN TO WEDNESDAY, MAY 20, 2026 AT 11:30 A.M.

SUPPORTING DOCUMENTATION FOR AGENDA ITEMS

All agenda item supporting documentation is available for public review at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, 93306 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

AMERICANS WITH DISABILITIES ACT
(Government Code Section 54953.2)

The Kern Medical Center Conference Room is accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the Kern County Hospital Authority Board of Governors may request assistance at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, California, or by calling (661) 326-2102. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.

CA
26) CLAIMS AND LAWSUITS FILED AS OF MARCH 31, 2026 – RECEIVE AND FILE

A) Claim in the matter of Adam Gotts
B) Application for Leave to Present a Late Claim in the matter of David Hicks

SUMMARY OF PROCEEDINGS

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS

Kern Medical Center
1700 Mount Vernon Avenue
Conference Room 1058
Bakersfield, California 93306

Regular Meeting
Wednesday, March 18, 2026

11:30 A.M.

BOARD RECONVENED

Board Members: Anderson, Berjis, McLaughlin, Merz, Pelz, Pollard, Stout
Roll Call: All Present

NOTE: The vote is displayed in bold below each item. For example, Berjis-Pelz denotes Director Berjis made the motion and Director Pelz seconded the motion.

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" OR "C" WERE CONSIDERED TO BE ROUTINE AND APPROVED BY ONE MOTION.

BOARD ACTION SHOWN IN CAPS

PUBLIC PRESENTATIONS

1) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. In addition, the Board may take action to direct the staff to place a matter of business on a future agenda. SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!
NO ONE HEARD

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2)) –
NO ONE HEARD

ITEMS FOR CONSIDERATION

CA
3) Minutes for the Kern County Hospital Authority Board of Governors regular meeting on February 18, 2026 –
APPROVED
Pollard-Merz: All Ayes

CA
4) Proposed renewal and binding of all-risk property insurance through PRISM and earth movement coverage through Specialty Risk Underwriters and Evanston Insurance Company from March 31, 2026 through March 31, 2027, with an option to finance property premiums through PRISM and earth movement premiums through AFCODirect, in an amount not to exceed $789,681 –
APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN PREMIUM FINANCE AGREEMENT-PROMISSORY 033-2026 AND RELATED DOCUMENTS
Pollard-Merz: All Ayes

CA
5) Proposed Amendment No. 2 to Agreement 036-2024 with Baker Tilly US LLP, an independent contractor, for financial auditing services for the period April 1, 2024 through March 31, 2026, extending the term for one year from April 1, 2026 through March 31, 2027, and increasing the maximum payable by $227,625, from $416,400 to $644,025, to cover the extended term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 034-2026
Pollard-Merz: All Ayes

CA
6) Proposed retroactive Facility Agreement under HealthTrust Purchasing Agreement HPG-45202 with Airgas USA, LLC, an independent contractor, for exclusive supply of medical-grade and specialty gases from February 1, 2026 through January 31, 2031, in an amount not to exceed $1,400,000, plus applicable fees and taxes –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 035-2026
Pollard-Merz: All Ayes

CA
7) Proposed Amendment No. 4 to Agreement 034-2022 with Antony Minasaghanian, M.D., a contract employee, for professional medical services in the Department of Radiology for the period June 8, 2022 through June 7, 2027, extending the current annual salary of $615,000 per year through June 7, 2027, and increasing the maximum payable by $985,000, from $4,315,000 to $5,300,000, to cover the term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 036-2026
Pollard-Merz: All Ayes

CA
8) Proposed Amendment No. 2 to Agreement 091-2024 with Patton Air Conditioning, an independent contractor, for the provision of temporary air for the S-7 air handler rebuild, increasing the maximum payable by $125,921, from $1,833,475 to $1,959,396, to cover the project term –
MADE A FINDING THAT THE PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW PER SECTIONS 15301, 15302 AND 15061(B)(3) OF STATE CEQA GUIDELINES; APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 037-2026; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN FUTURE AMENDMENTS IN AN AMOUNT NOT TO EXCEED 10% OF THE TOTAL CONTRACT PRICE OF $2,155,336
Pollard-Merz: All Ayes

CA
9) Proposed Agreement with McMurtrey Lince, Inc., an independent contractor, for construction services related to installation of surgical lights in the surgical suites and emergency department, in an amount not to exceed $382,351 –
MADE A FINDING THAT THE PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW PER SECTIONS 15301, 15302, AND 15061(B)(3) OF STATE CEQA GUIDELINES; APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 038-2026; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN FUTURE CHANGE ORDERS NOT TO EXCEED 10% OF THE TOTAL CONTRACT PRICE OF $420,587
Pollard-Merz: All Ayes

CA
10) Proposed Agreement with McMurtrey Lince, Inc., an independent contractor, for Phase I Nurse Call System project in Labor and Delivery and ICU/DOU, effective March 18, 2026, through project completion, in an amount not to exceed $375,775 –
MADE A FINDING THAT THE PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW PER SECTIONS 15301, 15302, AND 15061(B)(3) OF STATE CEQA GUIDELINES; APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 039-2026; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN FUTURE CHANGE ORDERS NOT TO EXCEED 10% OF THE TOTAL CONTRACT PRICE OF $413,353
Pollard-Merz: All Ayes

CA
11) Proposed Quote Q-00676256 with Philips Healthcare, a division of Philips North America LLC, an independent contractor, containing nonstandard terms and conditions, for purchase of a Philips Cardiac Workstation 7000 and diagnostic cardiology/ECG implementation services, in an amount not to exceed $30,702 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 040-2026
Pollard-Merz: All Ayes

CA
12) Proposed Terms and Conditions of Use of Equipment with Solventum US LLC, an independent contractor, containing nonstandard terms and conditions, for use of Bair Hugger patient warming devices, effective March 18, 2026, at no cost –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 041-2026
Pollard-Merz: All Ayes

CA
13) Proposed Assignment and Assumption Agreement to Agreement 142-2025 with Organon LLC, Laborie Medical Technologies Corp., and Kern County Hospital Authority, for the continued purchase of Jada system products, effective March 18, 2026 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 042-2026
Pollard-Merz: All Ayes

CA
14) Proposed Amendment No. 2 to Agreement 039-2024 with Soorena Fatehchehr, M.D., Inc., an independent contractor, for professional medical services in the Department of Obstetrics and Gynecology for the period April 1, 2024 through March 31, 2026, extending the term for two years from April 1, 2026 through March 31, 2028, and increasing the maximum payable by $798,000, from $798,000 to $1,596,000, to cover the extended term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 043-2026
Pollard-Merz: All Ayes

CA
15) Proposed Amendment No. 1 to Agreement 053-2023 with Ayham Aboeed, M.D., a contract employee, for professional medical services in the Department of Medicine for the period April 22, 2023 through April 23, 2026, increasing the per diem rate for hospitalist shift coverage from $1,672 to $1,840 per 12-hour shift, extending the term for two years from April 22, 2026 through April 23, 2028, and increasing the maximum payable by $1,250,000, from $2,000,000 to $3,250,000, to cover the extended term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 044-2026
Pollard-Merz: All Ayes

CA
16) Proposed Project Change Request to Agreement 071-2025 with Presidio Networked Solutions Group, LLC, an independent contractor, for the period June 18, 2025 through June 17, 2032, for the provision of additional collaboration hours for the Cisco Telephone System Replacement Project, in an amount not to exceed $56,250 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 045-2026; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN FUTURE CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED 10% OF THE TOTAL PROJECT PRICE OF $292,286
Pollard-Merz: All Ayes

CA
17) Proposed Ordering Document CPQ-4233465 with Oracle America, Inc., an independent contractor, containing nonstandard terms and conditions, for subscription services for the Oracle Health Connection Hub for Providers from March 18, 2026 through March 17, 2029, at no cost –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 046-2026
Pollard-Merz: All Ayes

CA
18) Report on upcoming anticipated retroactive agreements –
RECEIVED AND FILED
Pollard-Merz: All Ayes

19) Proposed retroactive Novation Agreement and Amendment to Agreement 033-2018 with The College of American Pathologists, mTuitive, Inc., and Kern County Hospital Authority, for use of the CAP eFRM pathology software license and support, effective February 1, 2026 –

CHIEF EXECUTIVE OFFICER SCOTT THYGERSON HEARD REGARDING THE RETROACTIVY OF ITEM 19; APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN AGREEMENT 047-2026
Berjis-Pelz: All Ayes

20) Kern County Hospital Authority Chief Financial Officer report –
CHIEF FINANCIAL OFFICER ANDREW CANTU HEARD; DIRECTOR ANDERSON HEARD; DIRECTOR MERZ HEARD; RECEIVED AND FILED
Anderson-Merz: All Ayes

21) Kern County Hospital Authority Chief Executive Officer report –
CHIEF EXECUTIVE OFFICER SCOTT THYGERSON HEARD; DIRECTOR POLLARD; RECEIVED AND FILED
Pollard-Pelz: All Ayes

CA
22) Monthly report on What's Happening at Kern Medical Center –
RECEIVED AND FILED
Pollard-Merz: All Ayes

CA
23) Claims and Lawsuits Filed as of February 28, 2026 –
RECEIVED AND FILED
Pollard-Merz: All Ayes

NOTE: CHAIRMAN MCLAUGHLIN ANNOUNCED A CORRECTION TO ITEM 24 WHICH SHOULD READ PRACTITIONERS INSTEAD OF FACILITIES

ADJOURNED TO CLOSED SESSION
Berjis-Anderson

CLOSED SESSION

24) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW

25) CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Chief Executive Officer Scott Thygerson, and designated staff - Employee organizations: Service Employees International Union, Local 521 (Government Code Section 54957.6) – SEE RESULTS BELOW

NOTE: DIRECTOR PELZ LEFT THE MEETING AT 12:57 P.M. AND DID NOT RETURN

26) CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Novarad Corporation, a Utah corporation, Plaintiff, v. Kern County Hospital Authority, Defendant, United States District Court, Eastern District of California, Case No. 1:25-cv-00332-KES-CDB – SEE RESULTS BELOW

27) PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Vice President & General Counsel (Government Code Section 54957) – SEE RESULTS BELOW

28) Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) – SEE RESULTS BELOW

RECONVENED FROM CLOSED SESSION
Pollard-Stout

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Item 24 concerning Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) – HEARD; BY A UNANIMOUS VOTE (MOTION BY DIRECTOR POLLARD, SECOND BY DIRECTOR PELZ), THE BOARD APPROVED ALL CREDENTIALING RECOMMENDATIONS; NO OTHER REPORTABLE ACTION TAKEN

Item 25 concerning CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Chief Executive Officer Scott Thygerson, and designated staff - Employee organizations: Service Employees International Union, Local 521 (Government Code Section 54957.6) – HEARD; NO REPORTABLE ACTION TAKEN

Item 26 concerning CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Novarad Corporation, a Utah corporation, Plaintiff, v. Kern County Hospital Authority, Defendant, United States District Court, Eastern District of California, Case No. 1:25-cv-00332-KES-CDB – HEARD; NO REPORTABLE ACTION TAKEN

Item 27 concerning PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Vice President & General Counsel (Government Code Section 54957) – HEARD; NO REPORTABLE ACTION TAKEN

Item 28 concerning Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) – HEARD; NO REPORTABLE ACTION TAKEN

ADJOURNED TO WEDNESDAY, APRIL 15, 2026 AT 11:30 A.M.
Pollard

/s/ Mona A. Allen
Authority Board Coordinator

/s/ Philip McLaughlin
Chairman, Board of Governors
Kern County Hospital Authority

SUMMARY OF PROCEEDINGS

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS

Kern Medical Center
1700 Mount Vernon Avenue
Conference Room 1058
Bakersfield, California 93306

Special Meeting
Wednesday, April 1, 2026

11:30 A.M.

BOARD RECONVENED

Board Members: Anderson, Berjis, McLaughlin, Merz, Pelz, Pollard, Stout
Roll Call: 6 Present; 1 Absent - Berjis

NOTE: The vote is displayed in bold below each item. For example, Alsop-McLaughlin denotes Director Alsop made the motion and Director McLaughlin seconded the motion.

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND APPROVED BY ONE MOTION.

BOARD ACTION SHOWN IN CAPS

PUBLIC PRESENTATIONS

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NO ONE HEARD

ITEMS FOR CONSIDERATION

CA
2) Proposed Memorandum of Understanding with Service Employees International Union, Local 521, for bargaining units 1, 2, 3, 4, 5, 6, 7, and 8, effective April 1, 2026 through March 31, 2029, with changes to wages, hours, and terms and conditions of employment –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN; AUTHORIZED CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER AND HUMAN RESOURCES TO IMPLEMENT CHANGES
Pollard-Anderson: 6 Ayes; 1 Absent - Berjis

CA
3) Proposed resolution in the matter of changes in terms and conditions of employment for unrepresented employees classified as management, mid-management and confidential –
APPROVED; ADOPTED RESOLUTION 2026-001; AUTHORIZED CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER AND HUMAN RESOURCES TO IMPLEMENT CHANGES
Pollard-Anderson: 6 Ayes; 1 Absent - Berjis

ADJOURNED AS KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS; RECONVENED AS KERN MEDICAL SURGERY CENTER, LLC, BOARD OF MANAGERS
Pelz-Anderson

C-4) Proposed Memorandum of Understanding with Service Employees International Union, Local 521, for bargaining units 1, 2, 3, 4, 5, 6, 7, and 8, effective April 1, 2026 through March 31, 2029, with changes to wages, hours, and terms and conditions of employment –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN; AUTHORIZED ADMINISTRATOR AND HUMAN RESOURCES TO IMPLEMENT CHANGES
Anderson-Pollard: 6 Ayes; 1 Absent - Berjis

C-5) Proposed resolution in the matter of changes in terms and conditions of employment for unrepresented employees classified as management –
APPROVED; ADOPTED RESOLUTION 2026-001; AUTHORIZED ADMINISTRATOR AND HUMAN RESOURCES TO IMPLEMENT CHANGES
Anderson-Pollard: 6 Ayes; 1 Absent - Berjis

ADJOURNED AS KERN MEDICAL SURGERY CENTER, LLC, BOARD OF MANAGERS; RECONVENED AS KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS
Pelz-Stout

ADJOURNED TO CLOSED SESSION
Pollard-Anderson

CLOSED SESSION

6) CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521, Charging Party, v. Kern County Hospital Authority, Respondent, Public Employment Relations Board Case No. LA-CE-1573-M – SEE RESULTS BELOW

7) CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521, Charging Party, v. Kern County Hospital Authority, Respondent, Public Employment Relations Board Case No. LA-CE-1815-M – SEE RESULTS BELOW

8) CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521, Charging Party, v. Kern County Hospital Authority, Respondent, Public Employment Relations Board Case No. LA-CE-1856-M – SEE RESULTS BELOW

RECONVENED FROM CLOSED SESSION
Pelz-Pollard

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Item No. 6 concerning CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521, Charging Party, v. Kern County Hospital Authority, Respondent, Public Employment Relations Board Case No. LA-CE-1573-M – HEARD; NO REPORTABLE ACTION TAKEN

Item No. 7 concerning CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521, Charging Party, v. Kern County Hospital Authority, Respondent, Public Employment Relations Board Case No. LA-CE-1815-M – HEARD; NO REPORTABLE ACTION TAKEN

Item No. 8 concerning CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521, Charging Party, v. Kern County Hospital Authority, Respondent, Public Employment Relations Board Case No. LA-CE-1856-M – HEARD; NO REPORTABLE ACTION TAKEN

ADJOURNED TO WEDNESDAY, APRIL 15, 2026 AT 11:30 A.M.
Stout

/s/ Mona A. Allen
Authority Board Coordinator

/s/ Philip McLaughlin
Chairman, Board of Governors
Kern County Hospital Authority

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Amendment No. 3 to Agreement 052-2023 with Ralph Garcia-Pacheco Suarez, M.D., a contract employee, for professional medical services in the Department of Medicine

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve Amendment No. 3 to Agreement 052-2023 with Ralph Garcia-Pacheco Suarez, M.D., for professional medical services in the Department of Medicine. Dr. Garcia-Pacheco serves as the Chair, Department of Medicine, and also serves as Chief, Division of Pulmonary Disease and Critical Care Medicine. He is board certified in internal medicine, pulmonary disease, and critical care medicine. He has been employed by Kern Medical since 2015. His current Agreement expires April 21, 2026.

The proposed Amendment increases his annual salary to $675,000, increases the per diem rate for hospitalist shift coverage from $1,672 to $1,840 per 12-hour shift, extends the term for an additional two years from April 22, 2026 through April 21, 2028, and increases the maximum payable by $1,600,000, from $2,250,000 to $3,850,000, to cover the extended term. There are no other changes to the Agreement.

Therefore, it is recommended that your Board approve Amendment No. 3 to Agreement 052-2023 with Ralph Garcia-Pacheco Suarez, M.D., for professional medical services in the Department of Medicine for the period April 22, 2023 through April 21, 2028, extending the term for an additional two years from April 22, 2026 through April 21, 2028, increasing the annual salary from $650,000 to $675,000 and hospitalist shift coverage from $1,672 to $1,840 per 12-hour shift, and increasing the maximum payable by $1,600,000, from $2,250,000 to $3,850,000, to cover the extended term, and authorize the Chairman to sign.

AMENDMENT NO. 3
TO
AGREEMENT FOR PROFESSIONAL SERVICES
CONTRACT EMPLOYEE
(Kern County Hospital Authority – Ralph Garcia-Pacheco Suarez, M.D.)

This Amendment No. 3 to the Agreement for Professional Services is made and entered into this _____ day of _____, 2026, between Kern County Hospital Authority, a local unit of government ("Authority"), which owns and operates Kern Medical Center ("KMC"), and Ralph Garcia-Pacheco Suarez, M.D. ("Physician").

RECITALS

(a) Authority and Physician have heretofore entered into an Agreement for Professional Services (Agt. 052-2023, dated April 19, 2023), Amendment No. 1 (Agt. 134-2023, dated October 18, 2024), and Amendment No. 2 (Agt. 013-2024, dated January 17, 2024) (collectively, the "Agreement"), for the period April 22, 2023 through April 21, 2026, whereby Physician provides professional medical and administrative services in the Department of Medicine at KMC; and

(b) The parties agree to amend certain terms and conditions of the Agreement as hereinafter set forth; and

(c) The Agreement is amended effective April 18, 2026;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the parties hereto agree to amend the Agreement as follows:

1. Section 1, Term, shall be deleted in its entirety and replaced with the following:

> "1. **Term.** The term of this Agreement shall be for a period of five (5) years, commencing as of April 22, 2023 (the "Commencement Date"), and shall end April 21, 2028 (the "Term"), unless earlier terminated pursuant to other provisions of this Agreement as herein stated. This Agreement may be renewed for additional terms of two (2) years each, but only upon mutual written agreement of the parties. As used herein, an "Employment Year" shall mean the annual period beginning on the Commencement Date and each annual period thereafter."

2. Section 5, Compensation Package, paragraph 5.1, Annual Compensation, subparagraph 5.1.1, Annual Salary, shall be deleted in its entirety and replaced with the following:

> "5.1.1 Annual Salary. Authority shall pay Physician an Annual Salary of $25,961.53biweekly not to exceed $675,000 annually. The Annual Salary shall be comprised of (i) a base salary for teaching and administrative services and (ii) payment for care of KMC patients.

Physician understands and agrees that (i) the Annual Salary set forth in this paragraph 5.1 is calculated based on the current Medical Group Management Association Physician Compensation and Production Survey ("MGMA Survey") for specialty and (ii) Physician will maintain a level of worked relative value units ("Worked RVU") at or above the seventy-fifth (75th) percentile based on the current MGMA Survey and fulfill all the duties set forth in Exhibit "A" during the Term of this Agreement."

3. Section 5, Compensation Package, paragraph 5.3, Hospitalist Shift Coverage, shall be deleted in its entirety and replaced with the following:

"5.3 Hospitalist Shift Coverage. Authority shall pay Physician a per diem rate of $1,840, less all applicable federal and state taxes and withholdings, for each daytime, twelve (12) hour scheduled hospitalist shift, Monday through Sunday, 7:00 a.m.-7:00 p.m."

4. Section 5, Compensation Package, paragraph 5.7, Maximum Payable, shall be deleted in its entirety and replaced with the following:

"5.7 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed $3,850,000 over the five (5) year Term of this Agreement."

5. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.

6. This Amendment shall be governed by and construed in accordance with the laws of the state of California.

7. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which take together shall constitute one and the same instrument.

8. Except as provided herein, all other terms, conditions and covenants of the Agreement and any and all amendments thereto shall remain in full force and effect.

[INTENTIONALLY LEFT BLANK]

IN WITNESS TO THE FOREGOING, the parties have executed this Amendment No. 3 as of the day and year first written above.

PHYSICIAN

By_____
Ralph Garcia-Pacheco Suarez, M.D.

KERN COUNTY HOSPITAL AUTHORITY

By_____
Chairman
Board of Governors

APPROVED AS TO CONTENT:

By_____
Scott Thygerson
Chief Executive Officer

APPROVED AS TO FORM:
LEGAL SERVICES DEPARTMENT

By_____
Vice President & General Counsel
Kern County Hospital Authority

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Agreement with Cameron D. Furey, M.D., a contract employee, for professional medical services in the Department of Medicine

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve an Agreement with Cameron D. Furey, M.D., for professional medical services in the Department of Medicine from August 15, 2026 through August 14, 2029, in an amount not to exceed $3,200,000.

Dr. Furey is currently a Fellow in advanced endoscopy gastroenterology at Harbor-UCLA Medical Center with an expected completion date of June 30, 2026, having previously completed a gastroenterology and hepatology fellowship at UC Riverside. He is a graduate of Loyola University Chicago Stritch School of Medicine and completed his Internal Medicine residency training at LAC+USC Medical Center. He holds a California state medical license, and is board certified in internal medicine and gastroenterology subspecialty.

The proposed Agreement is for a term of three years from August 15, 2026 through August 14, 2029. Dr. Furey will receive an annual base salary of $800,000, a starting bonus of $100,000, and an annual retention bonus of $25,000. Dr. Furey's annual salary is calculated based on the current Medical Group Management Association Physician Compensation and Production Survey for specialty and represents the reasonable fair market value compensation for the services to be provided by Dr. Furey. In addition to his compensation package, Dr. Furey will receive the standard complement of benefits offered to all Kern Medical physicians. The maximum payable will not to exceed $3,200,000 over the three-year term of the Agreement.

Therefore, it is recommended that your Board approve the Agreement with Cameron D. Furey, M.D., for professional medical services in the Department of Medicine from August 15, 2026 through August 14, 2029, in an amount not to exceed $3,200,000, plus applicable benefits, and authorize the Chairman to sign.

AGREEMENT FOR PROFESSIONAL SERVICES
CONTRACT EMPLOYEE
(Kern County Hospital Authority – Cameron D. Furey, M.D.)

This Agreement is made and entered into this _____ day of _____, 2026, between Kern County Hospital Authority, a local unit of government ("Authority"), which owns and operates Kern Medical Center ("KMC"), and Cameron D. Furey, M.D. ("Physician").

I.
RECITALS

(a) Authority is authorized, pursuant to section 101852 of Part 4 of Division 101 of the Health and Safety Code, to contract for special services with individuals specially trained, experienced, expert, and competent to perform those services; and

(b) Authority requires the assistance of Physician to provide professional medical services in the Department of Medicine at KMC (the "Department"), as such services are unavailable from Authority resources, and Physician desires to accept employment on the terms and conditions set forth in this Agreement; and

(c) Physician is specially trained, experienced, expert, and competent to perform such services;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the parties hereto agree as follows:

II.
TERMS AND CONDITIONS

1. **Term.** The term of this Agreement shall be for a period of three (3) years, commencing as of August 15, 2026 (the "Commencement Date"). At the end of the Initial Term and each Renewal Term (as hereinafter defined), if any, this Agreement may be renewed for two (2) additional terms of two (2) years each ("Renewal Term"), but only upon mutual written agreement of the parties. As used herein, the "Term" of this Agreement shall mean the Initial Term and all Renewal Terms. As used herein, an "Employment Year" shall mean the annual period beginning on the Commencement Date and each annual period thereafter.

2. **Employment.** Authority hereby employs Physician for the practice of medicine in the care and treatment of patients at KMC, or at such other clinic sites as KMC may designate (collectively referred to as the "Practice Sites"). It is expressly understood and agreed that KMC shall have reasonable discretion to consolidate and relocate clinics operated by Authority and to re-designate Practice Sites served by Physician from time to time. Physician shall be subject to Authority's employment policies, directives, rules and regulations as promulgated by Authority from time to time, including, but not limited to, those pertaining to employees.

3. **Representations and Warranties.** Physician represents and warrants to Authority and KMC, upon execution and throughout the Term of this Agreement, as follows: (i) Physician is not bound by any agreement or arrangement which would preclude Physician from entering into, or from fully performing the services required under this Agreement; (ii) Physician's license to practice medicine in the state of California or in any other jurisdiction has never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to the terms of probation or other restriction; (iii) Physician's medical staff privileges at any health care facility have never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction; (iv) Physician holds a valid Controlled Substance Registration Certificate issued by the Drug Enforcement Administration that has never been revoked, suspended, terminated, relinquished, placed on terms of probation, or restricted in any way; (v) Physician is not currently and has never been an Ineligible Person[1]; (vi) Physician is not currently the subject of a disciplinary or other proceeding or action before any governmental, professional, medical staff or peer review body; and (vii) Physician has, and shall maintain throughout the Term of this Agreement, an unrestricted license to practice medicine in the state of California and staff membership and privileges at KMC.

4. **Obligations of Physician.**

4.1 Services. Physician shall engage in the practice of medicine on a full-time basis exclusively as an exempt employee of Authority. Physician shall render those services set forth in Exhibit "A," attached hereto and incorporated herein by this reference.

4.2 Use of Premises. Physician shall use the Practice Sites as designated by Authority or KMC exclusively for the practice of medicine in the care and treatment of patients and shall comply with all applicable federal, state, and local laws, rules and regulations related thereto.

4.3 Qualifications.

4.3.1 Licensure. Physician shall maintain a current valid license to practice medicine in the state of California at all times during the Term of this Agreement.

4.3.2 Board Certification. Physician shall be board certified by the American Board of Internal Medicine in internal medicine-general and gastroenterology-subspecialty, and maintain such certifications at all times during the Term of this Agreement.

4.3.3 Medical Staff Status. Physician shall at all times during the Term of this Agreement be a member in good standing of the KMC medical staff with "active" staff status and hold all clinical privileges on the active medical staff appropriate to the discharge of his obligations under this Agreement.

[1] An "Ineligible Person" is an individual or entity who: (i) is currently excluded, debarred, suspended, or otherwise ineligible to participate in the federal health care programs or in federal procurement or non-procurement programs; or (ii) has been convicted of a criminal offense that falls within the range of activities described in 42 U.S.C. § 1320a-7(a), but has not yet been excluded, debarred, suspended, or otherwise declared ineligible.

4.3.4 TJC and ACGME Compliance. Physician shall observe and comply with all applicable standards and recommendations of The Joint Commission and Accreditation Council for Graduate Medical Education.

4.4 Loss or Limitation. Physician shall notify KMC in writing as soon as possible (but in any event within three (3) business days) after any of the following events occur: (i) Physician's license to practice medicine in the state of California lapses or is denied, suspended, revoked, terminated, relinquished or made subject to terms of probation or other restriction; (ii) Physician's medical staff privileges at KMC or any other health care facility are denied, suspended, revoked, terminated, relinquished under threat of disciplinary action or made subject to terms of probation or other restriction; (iii) Physician's Controlled Substance Registration Certificate issued by the Drug Enforcement Administration is revoked, suspended, terminated, relinquished, placed on terms of probation, or restricted in any way; (iv) Physician becomes debarred, excluded, or suspended, or if any other event occurs that makes Physician an Ineligible Person; (v) Physician becomes the subject of a disciplinary or other proceeding or action before any governmental, professional, medical staff or peer review body; or (vi) an event occurs that substantially interrupts all or a portion of Physician's professional practice or that materially adversely affects Physician's ability to perform Physician's obligations hereunder.

4.5 Standards of Medical Practice. The standards of medical practice and professional duties of Physician at designated Practice Sites shall be in accordance with the KMC Medical Staff Bylaws, Rules, Regulations, and policies, the standards for physicians established by the state Department of Public Health and all other state and federal laws and regulations relating to the licensure and practice of physicians, and The Joint Commission.

4.6 Managed Care Contracting. Physician shall cooperate in all reasonable respects necessary to facilitate KMC's entry into or maintenance of any third-party payer arrangements for the provision of services under any other public or private health and/or hospital care programs, including but not limited to insurance programs, self-funded employer health programs, health care service plans and preferred provider organizations. To enable KMC to participate in any third-party payer arrangements, Physician shall, upon request: (i) enroll as a provider (if required by the third-party payer), separate from KMC, with any third-party payer or intermediate organization (including any independent practice association) (each, a "Managed Care Organization") designated by KMC for the provision of professional services to patients covered by such Managed Care Organization; (ii) enter into a written agreement with such Managed Care Organization as may be necessary or appropriate for the provision of professional services to patients covered by such Managed Care Organization; and/or (iii) enter into a written agreement with KMC regarding global billing, capitation or other payment arrangements as may be necessary or appropriate for the provision of professional services to patients covered by such Managed Care Organization.

4.7 Authorization to Release Information. Physician hereby authorizes Managed Care Organizations, government programs, hospitals and other third parties to release to KMC and its agents any information requested by KMC or its agents from time to time relating to Physician's professional qualifications or competency. Physician agrees to execute the Authorization to Release Information in the form set forth in Exhibit "B," attached hereto and

incorporated herein by this reference, and to execute all other documents required by KMC from time to time and to otherwise fully cooperate with KMC to enable KMC and its agents to obtain such information from third parties.

4.8 Medical Records. Physician shall cause a complete medical record to be timely prepared and maintained for each patient seen by Physician. This record shall be prepared in compliance with all state and federal regulations, standards of The Joint Commission, and the KMC Medical Staff Bylaws, Rules, Regulations, and Policies. Documentation by Physician shall conform to the requirements for evaluation and management (E/M) services billed by teaching physicians set forth in the Medicare Carriers Manual, Part 3, sections 15016–15018, inclusive. All patient medical records of Practice Sites, including without limitation, patient medical records generated during the Term of this Agreement, shall be the property of KMC subject to the rights of the respective patients. Upon the expiration or termination of this Agreement by either party for any reason, KMC shall retain custody and control of such patient medical records.

4.9 Physician Private Practice. Physician understands and agrees that he shall not enter into any other physician employment contract or otherwise engage in the private practice of medicine or provide similar services to other organizations, directly or indirectly, during the Term of this Agreement or any extensions thereof.

4.10 Proprietary Information. Physician acknowledges that during the Term of this Agreement Physician will have contacts with and develop and service KMC patients and referring sources of business of KMC. In all of Physician's activities, Physician, through the nature of his work, will have access to and will acquire confidential information related to the business and operations of KMC, including, without limiting the generality of the foregoing, patient lists and confidential information relating to processes, plans, methods of doing business and special needs of referring doctors and patients. Physician acknowledges that all such information is solely the property of KMC and constitutes proprietary and confidential information of KMC; and the disclosure thereof would cause substantial loss to the goodwill of KMC; and that disclosure to Physician is being made only because of the position of trust and confidence that Physician will occupy. Physician covenants that, except as required by law, Physician will not, at any time during the Term or any time thereafter, disclose to any person, hospital, firm, partnership, entity or organization (except when authorized in writing by KMC) any information whatsoever pertaining to the business or operations of KMC, any affiliate thereof or of any other physician employed by KMC, including without limitation, any of the kinds of information described in this paragraph.

4.11 Physician Covenants. Physician covenants that from the Commencement Date and continuing throughout the Term of this Agreement, Physician, unless otherwise permitted by the written consent of Authority shall not, on Physician's own account or as an employee, landlord, lender, trustee, associate, consultant, partner, agent, principal, contractor, owner, officer, director, investor, member or stockholder of any other person, or in any other capacity, directly or indirectly, in whole or in part: (i) engage in any activities that are in competition with KMC, including the operation of any medical practice or offering of any medical services that are similar to services offered at the Practice Sites; (ii) solicit or encourage the resignation of any

employee of Authority or KMC with whom Physician had a working relationship during Physician's employment with Authority; (iii) solicit or divert patients with whom Physician had personal contact during such employment; or (iv) influence or attempt to influence any payer, provider or other person or entity to cease, reduce or alter any business relationship with Authority or KMC relating to the Practice Sites.

5. **Compensation Package.**

5.1 Annual Compensation. Physician shall work full time, which is a minimum of eighty (80) hours per biweekly pay period, and will be compensated with cash and other value as described below in this paragraph 5.1 ("Annual Salary").

5.1.1 Annual Salary. Authority shall pay Physician an Annual Salary of $30,769.23 biweekly not to exceed $800,000 annually. The Annual Salary shall be comprised of (i) a base salary for teaching and administrative services and (ii) payment for care of KMC patients. Physician understands and agrees that (i) the Annual Salary set forth in this paragraph 5.1 is calculated based on the current Medical Group Management Association Physician Compensation and Production Survey ("MGMA Survey") for specialty and (ii) Physician will maintain a level of worked relative value units ("Worked RVU") at or above the seventy-fifth (75th) percentile based on the current MGMA Survey and fulfill all the duties set forth in Exhibit "A" during the Term of this Agreement.

5.1.2 Biweekly Payment. Physician shall be paid biweekly on the same schedule as regular Authority employees. The exact date of said biweekly payments shall be at the sole discretion of Authority. All payments made by Authority to Physician shall be subject to all applicable federal and state taxes and withholding requirements.

5.1.3 Fair Market Value Compensation. The compensation provided under section 5.1 represents the parties' good faith determination of the reasonable fair market value compensation for the services to be provided by Physician under this Agreement.

5.2 Worked RVU Productivity Incentive. Physician shall be compensated for each Worked RVU at the rate of $73 ("RVU Effort"), less all applicable federal and state taxes and withholdings, for each Worked RVU in excess of 11,219 generated per Employment Year.

5.3 Excess Call Coverage. Authority shall pay Physician for excess call coverage as follows: (i) Physician shall be paid a fixed fee in the amount of $500 per twenty-four (24) hour day, less all applicable federal and state taxes and withholdings, for weekday coverage (Monday-Friday) that exceeds one (1) in four (1:4) assigned weekday call; and (ii) Physician shall be paid a fixed fee in the amount of $1,000 per twenty-four (24) day, less all applicable federal and state taxes and withholdings, for weekend and holiday coverage (Saturday and Sunday; designated Authority holidays only) that exceeds one (1) in four (1:4) assigned weekend or holiday call.

5.4 Starting Bonus.

5.4.1 Bonus. Physician shall receive a starting bonus in the amount of $100,000, less all applicable federal and state taxes and withholdings, payable within ten (10) business days of the Commencement Date. Physician shall forfeit the starting bonus if he fails to report to work on the Commencement Date.

5.4.2 Repayment. In the event that Physician voluntarily terminates his employment with Authority for any reason whatsoever before the first anniversary of this Agreement, Physician shall repay to Authority an amount equal to $100,000 multiplied by the fraction, the numerator of which is one thousand ninety-five (1,095) less the number of days during which Physician was employed by Authority, and the denominator of which is one thousand ninety-five (1,095). Such repayment shall be made by Physician in full within thirty (30) days of the effective date of his termination of employment with Authority.

5.4.3 Offset. Physician hereby authorizes Authority to offset against and reduce any amounts otherwise due to Physician for any amounts in respect of the obligation to repay the starting bonus.

5.5 Retention Bonus.

5.5.1 Bonus. Physician shall be paid an annual retention bonus in the amount of $25,000, less all applicable federal and state taxes and withholdings, payable within thirty (30) days of the end of each Employment Year. If the conditions for Physician to receive the retention bonus are met, the retention bonus would become payable to Physician on August 15, 2027, for the previous Employment Year, and each August 15 thereafter during the Initial Term.

5.5.2 Repayment. In the event that Physician voluntarily terminates his employment with Authority for any reason whatsoever during an Employment Year in which a retention bonus is paid, Physician will repay to Authority an amount equal to $25,000 multiplied by the fraction, the numerator of which is 365 less the number of days during which Physician was employed by Authority, and the denominator of which is 365. Such repayment shall be made by Physician in full within thirty (30) days of the effective date of his termination of employment with Authority.

5.5.3 Offset. Physician hereby authorizes Authority to offset against and reduce any amounts otherwise due to Physician for any amounts in respect of the obligation to repay the retention bonus.

5.6 Professional Fee Billing.

5.6.1 Assignment. KMC shall have the exclusive right and authority to set, bill, collect and retain all fees, including professional fees, for all direct patient care services provided by Physician at the Practice sites during the Term of this Agreement. All professional fees generated by Physician for services rendered at the Practice Sites during the Term of this Agreement, including without limitation, both cash collections and

accounts receivable, capitated risk pool fees, professional retainer fees, honoraria, professional consulting and teaching fees, and fees for expert testimony (but excluding Physician's private investment and nonprofessional income), will be the sole and exclusive property of KMC, whether received by KMC or by Physician and whether received during the Term of this Agreement or anytime thereafter. Physician hereby assigns all rights to said fees and accounts to KMC and shall execute all documents required from time to time by KMC and otherwise fully cooperate with KMC to enable KMC to collect fees and accounts from patients and third-party payers.

5.6.2 Remittance of Professional Fee Charges. Physician shall remit all professional fee charges to KMC within forty-five (45) days of the date direct patient care services are provided by Physician. Any professional fee charges not remitted by Physician to KMC within forty-five (45) days of the date of such service, or any charges for which relevant documentation has not been provided, will not be credited to Physician as Worked RVU.

5.7 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed $3,200,000 over the three (3) year Term of this Agreement.

6. **Benefits Package.**

6.1 Retirement. Physician shall participate in the Kern County Hospital Authority Defined Contribution Plan for Physician Employees (the "Plan"), a qualified defined contribution pension plan, pursuant to the terms of the instrument under which the Plan has been established, as from time to time amended. Physician is not eligible to participate in any other retirement plan established by Authority for its employees, including but not limited to the Kern County Employees' Retirement Association, and this Agreement does not confer upon Physician any right to claim entitlement to benefits under any such retirement plan(s).

6.2 Health Care Coverage. Physician shall receive the same health benefits (medical, dental, prescription and vision coverage) as all eligible Authority employees. The employee share of cost is twenty percent (20%) of the current biweekly premium. Physician is eligible for coverage the first (1st) day of the biweekly payroll period coincident with or next following the day she completes one (1) month of continuous service. Physician's initial hire date is the initial opportunity to enroll in the health plan. Physician must work at least forty (40) hours per biweekly pay period to be eligible for coverage.

6.3 Holidays. Physician shall be entitled to paid holidays subject to Authority policy, as amended from time to time. Physician will not be paid for banked holidays upon termination of employment.

6.4 Vacation. Physician shall be entitled to vacation leave subject to Authority policy, as amended from time to time. Physician shall be paid for accrued and unused vacation leave, if any, upon termination or expiration of this Agreement calculated at Physician's current hourly rate (i.e., current Annual Salary divided by 2080 hours = hourly rate). All payments made by Authority to Physician under this paragraph will be subject to all applicable federal and state taxes and withholding requirements.

6.5 Sick Leave. Physician shall be entitled to sick leave subject to Authority policy, as amended from time to time. Physician will not be paid for accrued and unused sick leave upon termination of employment.

6.6 Education Leave. Physician shall receive eighty (80) hours paid education leave annually. The first eighty (80) hours will accrue on the Commencement Date. On each successive Employment Year, if any, an additional eighty (80) hours paid education leave will accrue. Education leave must be used within the year that it is accrued. Physician will not be paid for unused education leave upon termination of employment. The Department Chair must approve education leave in advance of use. Physician's participation in educational programs, services or other approved activities set forth herein shall be subordinate to Physician's obligations and duties under this Agreement.

6.7 CME Expense Reimbursement. Authority shall reimburse Physician for all approved reasonable and necessary expenditures related to continuing medical education in an amount not to exceed $2,500 per Employment Year, payable in arrears, in accordance with Authority policy, as amended from time to time. This amount may not be accumulated or accrued and does not continue to the following Employment Year.

6.8 Flexible Spending Plan. Physician shall be eligible to participate in flexible spending plans to pay for dependent care, non-reimbursed medical expenses, and certain insurance premiums on a pre-tax basis through payroll deduction. This is a voluntary benefit that is paid by Physician if he elects to participate in the plan.

6.9 Attendance at Meetings. Physician shall be permitted to be absent from KMC during normal working days to attend professional meetings and to attend to such outside professional duties in the healthcare field as may be mutually agreed upon between Physician and the Department Chair. Attendance at such approved meetings and accomplishment of approved professional duties shall be fully compensated service time and will not be considered vacation or education leave.

6.10 Unpaid Leave of Absence. Physician may take an unpaid leave of absence in accordance with Authority policies in effect at the time the leave is taken.

6.11 Social Security. Physician is exempt from payment of Social Security taxes as the Kern County Hospital Authority Defined Contribution Plan for Physician Employees is a qualified alternative to the insurance system established by the federal Social Security Act.

6.12 Deferred Compensation. Physician shall be eligible to participate in the Kern County Deferred Compensation Plan ("457 Plan") on a pre-tax basis. Physician shall make all contributions if he elects to participate in the 457 Plan.

6.13 Disability Insurance. Physician shall be eligible to purchase Long Term Disability or Short Term Disability insurance coverage through payroll deduction on a post-tax basis. This is a voluntary benefit that is paid by Physician if he elects to participate in the plan.

6.14 Employee Assistance/Wellness Programs. Physician shall be eligible to participate in any Authority-sponsored employee assistance and employee wellness programs.

6.15 Relocation Reimbursement. Authority shall reimburse Physician for actual relocation expenses (defined as the packing, moving and unpacking of household goods and vehicles) and travel expenses (defined as lodging, meals, mileage and incidental expenses) associated in moving to Bakersfield, California, in an amount not to exceed $20,000, payable in arrears, in accordance with Authority policy (no later than 90 days from the Commencement Date). Reimbursement of travel expenses will include per mile reimbursement for one (1) personal vehicle at the current privately owned vehicle (POV) mileage reimbursement rate established by the U.S. General Services Administration, meals and incidental expenses for Physician only at the current domestic per diem rates established by the U.S. General Services Administration for Kern County, and reasonable hotel accommodations not to exceed the maximum allowable reimbursement rate including taxes established by Authority. Physician shall be deemed vested in reimbursement of relocation expenses in the amount of $555.56 per month beginning on the last day of the month in which the relocation expenses are reimbursed to Physician. In the event Physician's employment is terminated by either party, with or without cause, then, on the effective date of such termination, Physician shall repay to Authority all amounts received in which Physician has not yet become vested.[1]

6.16 Limitation on Benefits. Except as expressly stated herein, Physician shall receive no other benefits from Authority.

7. **Assignment.** Physician shall not assign or transfer this Agreement or his obligations hereunder or any part thereof. Physician shall not assign any money due or which becomes due to Physician under this Agreement without the prior written approval of Authority.

8. **Assistance in Litigation.** Upon request, Physician shall support and assist Authority as a consultant or expert witness in litigation to which Authority is a party.

9. **Authority to Incur Financial Obligation.** It is understood that Physician, in his performance of any and all duties under this Agreement, has no right, power or authority to bind Authority to any agreements or undertakings.

10. **Captions and Interpretation.** Paragraph headings in this Agreement are used solely for convenience, and shall be wholly disregarded in the construction of this Agreement. No provision of this Agreement shall be interpreted for or against a party because that party or its legal representative drafted such provision, and this Agreement shall be construed as if jointly prepared by the parties.

[1] By way of example only, in the event Physician terminates his employment after eighteen (18) months then Physician will be vested to the extent of $10,000 in the relocation expenses described herein and will be obligated to repay Authority the amount of $10,000. **In the event Physician fails to pay such amount to Authority, Physician expressly grants to Authority the right to offset any amounts owed to Authority against any payments made to Physician by Authority.**

11. **Choice of Law/Venue.** This Agreement shall be construed and enforced under and in accordance with the laws of the state of California, with venue of any action relating to this Agreement in the County of Kern, state of California.

12. **Compliance with Law.** Physician shall observe and comply with all applicable Authority, local, state and federal laws, ordinances, rules and regulations now in effect or hereafter enacted, each of which is hereby made a part hereof and incorporated herein by reference.

13. **Confidentiality.** Physician shall maintain confidentiality with respect to information that he receives in the course of his employment and not use or permit the use of or disclose any such information in connection with any activity or business to any person, firm or corporation whatsoever, unless such disclosure is required in response to a validly issued subpoena or other process of law or as required by Government Code section 6250 et seq. Upon completion of the Agreement, the provisions of this paragraph shall continue to survive.

14. **Conflict of Interest.** Physician covenants that he has no interest and that he will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law (Gov. Code, § 81000 et seq.) or that would otherwise conflict in any manner or degree with the performance of his services hereunder. It is understood and agreed that if such a financial interest does exist at the inception of this Agreement, Authority may immediately terminate this Agreement by giving written notice thereof.

15. **Counterparts.** This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

16. [**RESERVED**].

17. **Enforcement of Remedies.** No right or remedy herein conferred on or reserved to Authority is exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing by law or in equity or by statute or otherwise, and may be enforced concurrently or from time to time.

18. **Indemnification.** Authority shall assume liability for and indemnify and hold Physician harmless from any and all claims, losses, expenses, costs, actions, settlements, attorneys' fees and judgments incurred by Physician or for which Physician becomes liable, arising out of or related to services rendered or which a third party alleges should have been rendered by Physician pursuant to this Agreement. Authority's obligation under this paragraph shall extend from Physician's first date of service to Authority and shall survive termination or expiration of this Agreement to include all claims that allegedly arise out of services Physician rendered on behalf of Authority; provided, however, that the provisions of this paragraph shall not apply to any services rendered at any location other than Practice Sites designated by Authority or KMC without approval by the Kern County Hospital Authority Board of Governors, and, provided further, that Authority shall have no duty or obligation to defend, indemnify, or hold Physician

harmless for any conduct or misconduct found to be intentional, willful, grossly negligent, or criminal.

19. **Invalidity of a Portion.** Should a portion, section, paragraph, or term of this Agreement be construed as invalid by a court of competent jurisdiction, or a competent state or federal agency, the balance of the Agreement shall remain in full force and effect. Further, to the extent any term or portion of this Agreement is found invalid, void or inoperative, the parties agree that a court may construe the Agreement in such a manner as will carry into force and effect the intent appearing herein.

20. **Modifications of Agreement.** This Agreement may be modified in writing only, signed by the parties in interest at the time of the modification.

21. **Non-appropriation.** Authority reserves the right to terminate this Agreement in the event insufficient funds are appropriated or budgeted for this Agreement in any fiscal year. Upon such termination, Authority will be released from any further financial obligation to Physician, except for services performed prior to the date of termination or any liability due to any default existing at the time this clause is exercised. Physician shall be given thirty (30) days' prior written notice in the event that Authority requires such an action.

22. **Nondiscrimination.** No party to this Agreement shall discriminate on the basis of race, color, religion, sex, national origin, age, marital status or sexual orientation, ancestry, physical or mental disability, medical conditions, political affiliation, veteran's status, citizenship or marital or domestic partnership status or on the basis of a perception that an individual is associated with a person who has, or is perceived to have, any of these characteristics.

23. **Non-waiver.** No covenant or condition of this Agreement can be waived except by the written consent of Authority. Forbearance or indulgence by Authority in any regard whatsoever shall not constitute a waiver of the covenant or condition to be performed by Physician. Authority shall be entitled to invoke any remedy available to Authority under this Agreement or by law or in equity despite said forbearance or indulgence.

24. **Notices.** Notices to be given by one party to the other under this Agreement shall be given in writing by personal delivery, by certified mail, return receipt requested, or express delivery service at the addresses specified below. Notices delivered personally shall be deemed received upon receipt; mailed or expressed notices shall be deemed received four (4) days after deposit. A party may change the address to which notice is to be given by giving notice as provided above.

Notice to Physician:	Notice to Authority:
Cameron D. Furey, M.D. 14300 Pemberley Passage Avenue Bakersfield, California 93311	Kern Medical Center 1700 Mount Vernon Avenue Bakersfield, California 93306 Attn.: Chief Executive Officer

25. **Relationship.** Authority and Physician recognize that Physician is rendering specialized, professional services. The parties recognize that each is possessed of legal knowledge and skill, and that this Agreement is fully understood by the parties, and is the result of bargaining between the parties. Each party acknowledges their opportunity to fully and independently review and consider this Agreement and affirm complete understanding of the effect and operation of its terms prior to entering into the same.

26. **Severability.** Should any part, term, portion or provision of this Agreement be decided finally to be in conflict with any law of the United States or the state of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement which the parties intended to enter into in the first instance.

27. **Sole Agreement.** This Agreement contains the entire agreement between the parties relating to the services, rights, obligations, and covenants contained herein and assumed by the parties respectively. No inducements, representations, or promises have been made, other than those recited in this Agreement. No oral promise, modification, change, or inducement shall be effective or given any force or effect.

28. **Termination.**

28.1 Termination without Cause. Either party shall have the right to terminate this Agreement, without penalty or cause, by giving not less than one hundred twenty (120) days' prior written notice to the other party.

28.2 Immediate Termination. Notwithstanding the foregoing, Authority may terminate this Agreement immediately by written notice to Physician upon the occurrence of any of the following events: (i) Authority determines that Physician does not have the proper credentials, experience, or skill to perform the required services under this Agreement; (ii) Authority determines the conduct of Physician in the providing of services may result in civil, criminal, or monetary penalties against Authority or KMC; (iii) Physician violates any federal or state law or regulatory rule or regulation or condition of accreditation or certification to which Authority or Practice Sites is subject; (iv) Physician engages in the commission of a material act involving moral turpitude, fraud, dishonesty, embezzlement, misappropriation or financial dishonesty against Authority or KMC; (v) the actions of Physician result in the loss or threatened loss of KMC's ability to participate in any federal or state health care program, including Medicare or Medi-Cal; (vi) Physician's license to practice medicine in the state of California lapses or is denied, suspended, revoked, terminated, relinquished or made subject to terms of probation or other restriction; (vii) Physician's medical staff privileges are denied, suspended, revoked, terminated, relinquished under threat of disciplinary action or made subject to terms of probation or other restriction; (viii) Physician's Controlled Substance Registration Certificate issued by the Drug Enforcement Administration is revoked, suspended, terminated, relinquished, placed on terms of probation, or restricted in any way; (ix) Physician becomes debarred, excluded, or suspended, or if any other event occurs that makes Physician an Ineligible Person; (x) Physician fails to make a timely disclosure pursuant to paragraph 4.4; (xi) Physician engages in conduct

that, in the sole discretion of Authority, is detrimental to patient care or to the reputation or operations of Authority and/or KMC; (xii) Physician breaches the confidentiality provisions of this Agreement; (xiii) Physician dies; (xiv) Physician fails to follow Authority's policies and procedures and other rules of conduct applicable to all employees of Authority, including without limitation, policies prohibiting sexual harassment; (xv) insubordination, flagrant tardiness, or interpersonal problems in the workplace with colleagues, patients or associates; or (xvi) Physician breaches any covenant set forth in paragraph 4.11.

29. **Effect of Termination.**

29.1 Payment Obligations. In the event of termination of this Agreement for any reason, Authority shall have no further obligation to pay for any services rendered or expenses incurred by Physician after the effective date of the termination, and Physician shall be entitled to receive compensation for services satisfactorily rendered, calculated on a prorated basis up to the effective date of termination.

29.2 Vacate Premises. Upon expiration or earlier termination of this Agreement, Physician shall immediately vacate KMC, removing at such time any and all personal property of Physician. KMC may remove and store, at the expense of Physician, any personal property that Physician has not so removed.

29.3 No Interference. Following the expiration or earlier termination of this Agreement, Physician shall not do anything or cause any person to do anything that might interfere with any efforts by Authority or KMC to contract with any other individual or entity for the provision of services or to interfere in any way with any relationship between KMC and any person who may replace Physician.

29.4 No Hearing Rights. Termination of this Agreement by Authority or KMC for any reason shall not provide Physician the right to a fair hearing or the other rights more particularly set forth in the KMC Medical Staff Bylaws.

30. **Liability of Authority.** The liabilities or obligations of Authority with respect to its activities pursuant to this Agreement shall be the liabilities or obligations solely of Authority and shall not be or become the liabilities or obligations of the County of Kern or any other entity, including the state of California.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS TO THE FOREGOING, the parties have executed this Agreement as of the day and year first written above.

PHYSICIAN

By_____
Cameron D. Furey, M.D.

KERN COUNTY HOSPITAL AUTHORITY

By_____
Chairman
Board of Governors

APPROVED AS TO CONTENT:

By_____
Scott Thygerson
Chief Executive Officer

APPROVED AS TO FORM:

By_____
Vice President & General Counsel
Kern County Hospital Authority

EXHIBIT "A"
JOB DESCRIPTION
Cameron D. Furey, M.D.

Position Description: Reports to Chair, Department of Medicine and Chief, Division of Gastroenterology; serves as a full-time faculty member in the Department.

Essential Functions:

1. Clinical Responsibilities.
    - Serves as attending physician in the Division of Gastroenterology
    - Supervises residents and medical students assigned to the gastroenterology service
    - Performs general and advanced gastroenterology procedures
    - Supervises Advance Practice Providers (APP) assigned to the gastroenterology service and ensures competence
    - Inpatient rounds – five (5) days per week, as needed
    - GI clinic – a minimum of two (2) half-days days per week
    - GI call coverage – weekday coverage, Monday through Friday, one in four (1:4) weekdays and weekend coverage, Saturday and Sunday, of one in four (1:4) weekends
    - Provides services to all patients regardless of their payer status (e.g., health insurance), physical or mental disability, medical condition, or designated Practice Sites

2. Administrative Responsibilities.
    - Determines equipment needs for the gastroenterology laboratory
    - Trains ancillary personnel assigned to the gastroenterology laboratory
    - Attends and actively participates in assigned medical staff and hospital committees

3. Teaching Responsibilities.
    - Prepares residents for oral boards and reviews case logs
    - Assists in resident mentoring, counseling, and evaluation
    - Didactic talks/lectures – a minimum of six (6) per year

Employment Standards:
Three (3) years of post-residency experience in gastroenterology
AND
Possession of a current valid Physician's and Surgeon's Certificate issued by the state of California
AND
Certification by the American Board of Internal Medicine in internal medicine-general AND gastroenterology-subspecialty

Knowledge of: The principles and practices of modern medicine; current techniques, procedures, and equipment applicable to gastroenterology; principles of effective supervision and program development.

Ability to: Perform invasive gastroenterology procedures; supervise and instruct professional and technical personnel; develop and present educational programs for interns, residents and ancillary medical staff; maintain records and prepare comprehensive reports; work effectively with staff, patients, and others.

[INTENTIONALLY LEFT BLANK]

EXHIBIT "B"

AUTHORIZATION TO RELEASE INFORMATION

[TO BE ATTACHED]

AUTHORIZATION TO RELEASE INFORMATION

I, the undersigned physician, hereby authorize Kern Medical Center ("KMC") and its duly authorized representatives to obtain information from time to time about my professional education, training, licensure, credentials competence, ethics and character from any source having such information. This information may include, without limitation, peer review information, DRG and RVU analyses, ancillary usage information and other utilization and quality related data.

I hereby release the Kern County Hospital Authority and KMC, its authorized representatives and any third parties from any liability for actions, recommendations, statements, reports, records or disclosures, including privileged and confidential information, involving me that are made, requested, taken or received by KMC or its authorized representatives to, from or by any third parties in good faith and relating to or arising from my professional conduct, character and capabilities.

I agree that this authorization to release information shall remain effective until termination of my employment by the Kern County Hospital Authority and KMC. A duplicate of this authorization may be relied upon to the same degree as the original by any third party providing information pursuant to this request.

_____ _____

Physician Date

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Retroactive Change Order Notice with GE Healthcare

Recommended Action: Approve; Authorize Chief Executive Officer to Sign

Summary:

Kern Medical requests your Board approve the proposed change order notice with GE Healthcare regarding the purchased CT scanner machine. On November 16, 2022, your Board approved the purchase of a GE Optima 660 CT Scanner to replace equipment that had reached its end of life. This no cost change notice provides required software updates prior to the delivery of the GE CT Scanner for the Kern Medical Emergency Room. This item is retroactive as the vendor notified Kern Medical that this change order needed to be executed before the delivery of the new CT machine. This item was included on the February list of anticipated retroactive agreements.

Therefore, it is recommended that your Board approve the proposed retroactive Change Order Notice with GE Healthcare for software updates for the new CT machine and authorize the Chief Executive Officer to sign.

GE HealthCare

1/16/26
KERN COUNTY HOSPITAL AUTHORITY
Attn : Suzanne Knight
KERN COUNTY HOSPITAL AUTHORITY
BAKERSFIELD, CA 93306-4018

Andrew Scism
GE HealthCare
9900 Innovation Drive
Wauwatosa, WI 53226

Re: Change Order Notice for Quote Number 2009359518, PO Number 10000-10172151, Order Number 5261186

Dear : Suzanne Knight

GE HealthCare ("GE HealthCare") sincerely thanks you for your continued business and support. We value the relationship that we have with KERN COUNTY HOSPITAL AUTHORITY and are excited to discuss how we can meet your needs and to further strengthen our business relationship.

We have been notified of a request to modify your CT order Purchase # 10000-10172151 (the "Order"). To address this request, we agree to remove and/or add the part number(s) set forth in Schedule 1 attached hereto. The total amount invoiced on this order will remain the same. In order to process this change, we request that you review and provide your permission to make such changes by signing below. If we do not receive a countersigned copy within thirty (30) days from the date of this letter, we will proceed with the original Order without modification, subject to product availability.

If this change to your order includes a return, signing below certifies that the items in Section A of Schedule 1 are unused and in the original manufactured condition, unless otherwise approved by GE HealthCare in writing. Items in Section B of Schedule 1 will be invoiced for payment upon shipment, with payment due pursuant to the terms of the original Order. Credit or refund for the items in Section A of Schedule 1 will be issued upon receipt of those items by the GE HealthCare facility. Items not received after thirty (30) days may not receive credit or refund. Credit or refund may be reduced for any missing components, accessories, manuals, etc.

All other terms and conditions of the Order shall remain in full force and effect. In the event of conflict, this change order notice shall control. Once you have countersigned this notice, please email to Andy.Scism@gehealthcare.com, attention: Andrew Scism. Please feel free to contact me if you have any questions or concerns.

Please forward a copy of this change order to your Accounts Payable and/or Purchasing Department so that, if any adjustments are required for your internal purchasing process, those adjustments can be made. Also, please communicate to us any changes in your purchasing reference information to help ensure proper invoicing.

Regards

Andrew Scism

Agreed to and accepted this 16th day of March, 2026

KERN COUNTY HOSPITAL AUTHORITY

Signature: _____

Print Name: Scott Thygerson

Title: Chief Executive Officer

APPROVED AS TO FORM:
Legal Services Department

By Phillip Jenkins
Kern County Hospital Authority

GE Reference: CO-138348

SCHEDULE 1

Items to be removed from Quotation # 2009359518 & Purchase Order # 10000-10172151, Order Number # 5261186

Part #	Description Enter to sort	Qty (#)
B7880MR	MAR option - Rev EVO	1
B7850PL	SmartScore Acquisition Software	1

Items to be added to Updated Quotation # 2009359518 & Purchase Order # 10000-10172151, Order Number # 5261186

Part #	Description	Qty (#)
S7660BZ	Calcium Scoring Package - for Gen 5 upgrade	1
E8007RT	Ivy 7800 Cardiac Monitor Kit with IPC Cable	1

Net change in order value: $ 0.00
GE Reference: CO-138348

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Personal and Professional Agreement with McMurtrey Lince, Inc.

Recommended Action: Make a finding that the project is exempt from further CEQA review per sections 15301, 15302, and 15061(b)(3) of State CEQA Guidelines; Approve the construction agreement with McMurtrey Lince, Inc., in the amount of $280,514; Authorize the Chairman to sign; Authorize the Chief Executive Officer to sign future change orders not to exceed 10% of the contract value, for a total contract price not to exceed $308,566.

Summary: Kern Medical requests your Board approve the proposed Personal and Professional Agreement with McMurtrey Lince, Inc., to install the Phase II new laboratory equipment. The new equipment will allow Kern Medical's laboratory to increase and improve patient services.

The proposed Agreement is effective April 15, 2026 with construction anticipated to be complete within 2 months of commencement. The projected construction cost for this project is $308,566, which includes future change orders of up to 10% of the original contract price of $280,514.

The project in general, consists of minor demolition, electrical, plumbing, seismically anchor new equipment, installation of a new purified water system and a new air conditioning unit.

Therefore, it is recommended that your Board make a finding that the project is exempt from further CEQA review per section 15301, 15302 and 15061(b)(3) of State CEQA guidelines, approve the proposed Personal and Professional Agreement with McMurtrey Lince, Inc, effective April 15, 2026 through project completion, authorize the Chairman to sign, and authorize the Chief Executive Officer to sign future change orders in an amount not to exceed 10% of the total contract price of $280,514 for approval up to $308,566.

KERN COUNTY HOSPITAL AUTHORITY
PERSONAL/PROFESSIONAL SERVICES AGREEMENT
SCHEDULE TO MASTER TERMS AND CONDITIONS: PPSA

THIS SCHEDULE shall be effective on: April 15, 2026 ("**Effective Date**") and shall terminate upon project completion. Kern County Hospital Authority Department: Construction ("Responsible KCHA Department") Located at: 1700 Mt. Vernon Avenue, Bakersfield, CA 93306.

Service Provider: McMurtrey Lince, Inc. ("Consultant") Located at: 1026 Espee Street, Bakersfield, California 93301,

Consultant is (select one):
__Sole Proprietorship
_X_ Incorporated in the State of California.
___ Other (specify)_____

Consultant shall provide those services described in Exhibit "A" which is attached hereto and incorporated herein by this reference.

Kern County Hospital Authority ("KCHA") shall compensate Consultant for all services to be provided hereunder, including any reimbursement of travel expenses and other costs incurred by Consultant under this Agreement, in an aggregate sum not to exceed $280,514 and Consultant will quote each project and a Purchase Order will be used under this Agreement for each approved Project.

(Select one of the following two)
_X_ KCHA shall **not** reimburse Consultant for any costs or travel expenses incurred by Consultant hereunder.
___ KCHA **shall** reimburse Consultant for all necessary and reasonable actual costs or travel expenses incurred on behalf of KCHA. If the reimbursable expenses include travel, the travel expenses must be reasonable and necessary, approved in advance by the Responsible KCHA Department, and shall not exceed the following KCHA per diems: Lodging, $116.00 per night plus tax; breakfast, $14.00; lunch, $16.00; dinner, $26.00; economy rental car; and mileage, if by private automobile, at $.56 per mile; and by common carrier at actual fare charged for economy or coach class.

Consultant shall be required to have the following insurance coverages, as described in the Master Terms and Conditions, in the minimum amounts indicated: (select all that apply)
_X_ Workers' Compensation: As required by California Labor Code Section 3700
_X_ Commercial General Liability ($1,000,000/Occurrence & $2,000,000/Aggregate) orother amounts_____&_____.
_X_ Automobile Liability ($1,000,000/Occurrence) or other amounts_____&_____.
___ Professional Liability ($1,000,000/Occurrence & $2,000,000/Aggregate) or other amounts_____&_____.

Note: If a lesser amount is shown, the Responsible KCHA Department must obtain the prior written approval of KCHA's Risk Manager.

Should any conflicts arise between this Schedule and the Master Terms and Conditions attached hereto and incorporated herein by this reference, the Schedule shall control.

IN WITNESS WHEREOF, each party has signed this Schedule upon the date indicated, and agrees, for itself, its employees, officers, partners and successors, to be fully bound by all terms and conditions of this Agreement.

KERN COUNTY HOSPITAL AUTHORITY

By: _____
Philip McLaughlin, Chair Board of Governors
"KCHA"

Date: _____

MCMURTREY LINCE, INC.

By: _____ 3/6/26
Name: _____ Title: _____

"Consultant"

Date: 3/6/26

APPROVED AS TO CONTENT:
Responsible KCHA Department

By: _____

Scott Thygerson, Chief Executive Officer

Date: _____

APPROVED AS TO FORM:
Legal Services Department

By: _____
Hospital Counsel, Kern County Hospital Authority

Date: 3/30/26

KERN COUNTY HOSPITAL AUTHORITY
PERSONAL/PROFESSIONAL SERVICES AGREEMENT
MASTER TERMS AND CONDITIONS
PPSA-STANDARD

THIS AGREEMENT ("**Agreement**") is entered into on the Effective Date shown on the attached Schedule, by and between the **KERN COUNTY HOSPITAL AUTHORITY**, a local unit of government, which owns and operates Kern Medical Center, as represented by the Chief Executive Officer ("**KCHA**"), with its principal location at 1700 Mount Vernon Avenue, Bakersfield, CA 93306, and **CONSULTANT** identified on the Schedule ("**Consultant**"). KCHA and Consultant are individually referred to as a "**Party**" and collectively as the "**Parties**."

RECITALS

A. KCHA is authorized, pursuant to Section 101852 of Part 4 of Division 101 of the Health and Safety Code, to contract for special services with individuals specially trained, experienced, expert, and competent to perform those services; and

B. The KCHA Department identified on the Schedule as the Responsible KCHA Department requires those services which are specified in **Exhibit A**.

C. KCHA desires to engage Consultant to provide the services and Consultant, by reason of its qualifications, experience, and facilities for doing this type of work, has offered to provide the required services on the terms set forth in this Agreement.

D. The Chief Executive Officer ("CEO") has been authorized by the Board of Governors to contract for personal/professional services in an amount not to exceed $250,000 per year of a three (3) year agreement.

AGREEMENT

1. Services to be Rendered. Consultant shall provide the services and products described in **Exhibit A** ("**Services**").

2. Compensation to Consultant. KCHA shall compensate Consultant in accordance with the compensation selection(s) shown on the Schedule. No additional compensation shall be paid for secretarial, clerical support staff, overhead or any other costs incurred by Consultant by providing the Services to KCHA.

3. Reimbursement Policy and Billing Requirements. All invoices for payment shall be submitted in a form approved by KCHA based upon the payment schedule selected on Schedule, shall contain an itemization of all costs and fees broken down monthly (including an itemization of all reimbursable expenses incurred, including travel if applicable) and shall be stated as a cumulative total. Invoices shall be sent for review and processing to the Responsible KCHA Department. Consultant shall also provide an informational copy to the CEO. Payment shall be made to Consultant within 30 days of receipt and approval of the invoice by the Responsible KCHA Department.

4. Term. This term of this Agreement ("**Term**") shall start on the Effective Date and shall terminate on the Termination Date, unless sooner terminated as provided in this Agreement.

5. Assignment. Consultant shall not assign, transfer or encumber this Agreement, or any part, and Consultant shall not assign any monies due or which become due to Consultant under this Agreement, without the prior written consent of the CEO.

6. Audit, Inspection and Retention of Records. Consultant shall maintain and make available to KCHA accurate books and records relative to the Services under this Agreement. Consultant shall permit KCHA to audit, examine and make excerpts and transcripts from its records and to conduct audits of all invoices, materials, records of personnel or other data related to the Services under this Agreement. Consultant shall maintain its data and records in an accessible location and condition for a period of not less than three years from the date of final payment under this Agreement, or until after the conclusion of any audit, whichever occurs last. The State of California and/or any federal agency having an interest in the subject of this Agreement shall have the same rights as KCHA.

7. Authority to Bind KCHA. It is understood that Consultant, in Consultant's performance of any Services under this Agreement, except as otherwise provided in this Agreement, has no authority to bind KCHA to any agreements or undertakings.

8. Indemnification.

a. General. Consultant shall defend, indemnify, and hold harmless KCHA and KCHA's board members, elected and appointed officials, officers, employees, agents, volunteers and authorized representatives ("**KCHA Indemnified Parties**") from any losses, liabilities, charges, damages, claims, liens, causes of action, awards, judgments, costs (including attorneys' fees of in-

house and outside counsel, expert fees, costs of staff time, and investigation costs) ("**Claims**") which arise out of or relate to any act or omission of Consultant or Consultant's officers, employees, agents and subcontractors of any tier hired by Consultant to perform the Services ("**Consultant Representatives**"). This indemnification obligation shall include bodily and personal injury or death to any person; damage to any property, regardless of where located, including the property of KCHA; and any workers' compensation Claim arising from or relating to any Services.

b. **Immigration Reform and Control Act.** Consultant acknowledges that Consultant and Consultant Representatives are aware of and understand the Immigration Reform and Control Act ("**IRCA**"). Consultant is and shall remain in compliance with the IRCA and shall ensure that any Consultant Representatives are and shall remain in compliance with the IRCA. In addition, Consultant shall defend, indemnify and hold harmless KCHA and KCHA Indemnified Parties from any Claims which arise out of or relate to any allegations that Consultant and Consultant Representatives are not authorized to work in the United States and/or any other allegations based upon alleged IRCA violations committed by Consultant or Consultant Representatives.

c. **Infringement Claim.** If any Claim is asserted or action or proceeding brought against KCHA or KCHA Indemnified Parties which alleges that all or any part of the Services in the form supplied by Consultant or KCHA's use, infringes or misappropriates any United States or foreign patent or copyright, or any trade secret or other proprietary right, KCHA shall give Consultant prompt written notice. Consultant shall defend any Claim with counsel of Consultant's choice and at Consultant's sole cost and shall indemnify KCHA for any costs, including attorney's fees and damages actually incurred by KCHA, including steps KCHA may take to avoid entry of any default judgment or other waiver of KCHA's rights. KCHA shall cooperate fully with and may monitor Consultant in the defense of any claim, action or proceeding and shall make employees available as Consultant may reasonably request with regard to the defense, subject to reimbursement by Consultant of all costs incurred by KCHA's cooperation in the defense.

d. **Remedy of Infringement Claim.** If the Services are, in Consultant's opinion, likely to become or do become the subject of a claim of infringement or misappropriation of a United States or foreign patent, copyright, trade secret or other proprietary right, or if a temporary restraining order or other injunctive relief is entered against the use of part or all of the Services, Consultant shall within 90 days:

1. **Replace.** Promptly replace the Services with compatible, functionally equivalent and non-infringing Services;

2. **Modify.** Promptly modify the Services to make them non-infringing without materially impairing KCHA's ability to use the Services as intended;

3. **Procure Rights.** Promptly procure the right of KCHA to continue using the Services; or

4. **Refund.** As a last resort, if none of these alternatives is reasonably available to Consultant, and KCHA is enjoined or otherwise precluded legally from using the Services, Consultant shall, within 120 days of the judgment or other court action, promptly refund to KCHA all fees and costs paid for the Services, and this Agreement shall terminate. All licensed products will be disposed of as ordered by the governing court at the sole cost of Consultant or as determined by KCHA if the court does not so direct.

e. **Modification of Services.** This indemnification does not extend to modifications or additions to the Services made by KCHA or any third party without the prior written consent of Consultant, or to any unauthorized use of the Services by KCHA.

f. **Survival of Indemnification Obligations.** Upon completion of this Agreement, the provisions of this **Section 8** shall survive.

9. **Insurance.** With respect to performance of work under this Agreement, Consultant shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain, insurance as described in Exhibit "C," attached hereto and incorporated herein by this reference

10. **Consultant Representations.** Consultant makes the following representations, which the Parties agree are material to and form a part of the inducement for this Agreement:

a. **Expertise and Staff.** Consultant has the expertise, support staff and facilities necessary to provide the Services; and

b. **No Adverse Interests.** Consultant does not have any actual or potential interests adverse to KCHA, nor does Consultant represent a person or firm with an interest adverse to KCHA relating to the subject of this Agreement; and

c. **Timeliness.** Consultant shall diligently provide the Services in a timely and professional manner in accordance with the terms and conditions in this Agreement.

11. Ownership of Documents. All reports, documents and other items generated or gathered in the course of providing the Services are and shall remain the property of KCHA, and shall be returned to KCHA upon full completion of the Services or termination of this Agreement, whichever first occurs.

12. Rights to Contracted Products.

a. Belong to KCHA. For no additional fee or charge, products developed, prepared, generated or gathered by Consultant or Consultant's Representatives under this Agreement, shall be considered creative works for hire and shall be delivered to and become the exclusive property of KCHA and may be used by KCHA in any way it may deem appropriate. Consultant shall have no rights in the products, except the right to use the products for the exclusive purpose of providing the Services, and Consultant shall not copy or disclose to any third party any product, except as is expressly set forth in this Agreement or by separate written agreement between the Parties. These provisions do not apply to Consultant's original licensed software or administrative communications and records, which shall remain the exclusive property of Consultant,

b. Use by KCHA. The ideas, concepts, know-how, and techniques developed during the course of this Agreement may be used by KCHA in any way it may deem appropriate, so long as that use does not violate any term in this Agreement or any Applicable Law.

c. No Publication. Consultant or Consultant's Representatives shall not publish or disseminate information gained through participation in this Agreement without the specific prior review and written consent by KCHA.

d. Delivery to KCHA. Upon termination or expiration of this Agreement, Consultant shall immediately deliver to KCHA all KCHA-owned programs and documentation developed under this Agreement. In addition, Consultant grants to KCHA a perpetual, royalty-free, non-exclusive, irrevocable, and non-transferable license to use, solely for KCHA purposes, any Consultant- owned program, including system software, utilized by Consultant in performance of the Services.

e. Survival of Covenants. Upon completion of this Agreement, the provisions of this **Section 12** shall survive.

13. Termination. The CEO may at his or her election, without cause, terminate this Agreement by written notice ("**Notice of Termination**"). The Notice of Termination will be deemed effective 15 days after personal delivery, or 20 days after mailing by regular U.S. Mail, postage prepaid. In addition, either Party may immediately terminate this Agreement if the other Party fails to substantially perform in accordance with the terms and conditions of this Agreement through no fault of the Party initiating the termination. In the event this Agreement is terminated by either Consultant or the CEO, Consultant shall submit to the Responsible KCHA Department all files, memoranda, documents, correspondence and other items generated in the course of performing the Services, within 15 days after the effective date of the Notice of Termination. If either Party terminates this Agreement as provided in this **Section 13**, KCHA shall pay Consultant for all satisfactory Services rendered by Consultant prior to the effective date of Notice of Termination in an amount not to exceed the maximum dollar amount shown on the Schedule.

14. Choice of Law/Venue. The Parties agree that the provisions of this Agreement shall be construed under the laws of the State of California. This Agreement has been entered into and is to be performed in the County of Kern. Accordingly, the Parties agree that the venue of any action relating to this Agreement shall be in the County of Kern.

15. Compliance with Applicable Law. Consultant shall observe and comply with all applicable county, state and federal laws, ordinances, rules and regulations now in effect or later enacted ("**Applicable Law**"), each of which is made a part of this Agreement. While on KCHA property, Consultant will also follow all applicable policies and any direction of staff.

16. Confidentiality. Consultant shall not, without the prior written consent of the CEO, communicate confidential information, designated in writing or identified in this Agreement as confidential, to any third party and shall protect confidential information from inadvertent disclosure to any third party in the same manner that it protects its own confidential information, unless disclosure is required in response to a validly issued subpoena or other process of law. Upon completion of this Agreement, the provisions of this **Section 16** shall continue to survive.

17. Conflict of Interest. Consultant has read and is aware of the provisions of Government Code Section 1090 et seq. and Section 87100 et seq. relating to conflict of interest of public officers and employees. Consultant acknowledges that it is unaware of any financial or economic interest of any public officer or employee of KCHA relating to this Agreement. If is further understood and agreed that if a financial interest does exist at the inception of this Agreement, KCHA may immediately terminate this Agreement by giving written notice. Consultant shall comply with the requirements of Government Code Section 1090 et seq. and 87100 et seq. during the Term.

18. Cooperation with KCHA Compliance Obligations. Consultant shall cooperate with the compliance program maintained by KCHA and KMC (the **"Compliance Program"**) to the extent that such requirements are (i) applicable to the operation of KCHA or KMC and Consultant's provision of services under this Agreement, (ii) consistent with applicable industry standards and laws, and (ii) communicated to Consultant, so that KCHA may meet all requirements imposed by laws and any governing or advisory body

having authority to set standards governing the operation of KCHA and KMC.

19. **Disqualified Persons**. Consultant represents and warrants that no person providing goods and/or services under the terms of this Agreement (i) has been convicted of a criminal offense related to healthcare (unless such individual has been officially reinstated into the federal healthcare programs by the Office of Inspector General ("OIG") and provided proof of such reinstatement to KCHA), (ii) is currently under sanction, exclusion or investigation (civil or criminal) by any federal or state enforcement, regulatory, administrative or licensing agency or is ineligible for federal or state program participation, or (iii) is currently listed on the General Services Administration List of Parties Excluded from the Federal Procurement and Non-Procurement Programs. Consultant agrees that if any individuals providing goods and/or services under the terms of this Agreement becomes involved in a pending criminal action or proposed civil debarment, exclusion or other sanctioning action related to any federal or state healthcare program (each, an "Enforcement Action"), Consultant shall immediately notify KCHA and such individual shall be immediately removed by Consultant from any functions, provided, however, that if Consultant is directly involved in the Enforcement Action, any agreement between KCHA and Consultant shall terminate immediately.

20. **Enforcement of Remedies.** No right or remedy conferred on or reserved to a Party is exclusive of any other right or remedy under law, equity or statute, but each shall be cumulative of every other right or remedy now or in the future existing under law, equity or statute, and may be enforced concurrently or from time to time.

21. **Health Insurance Portability and Accountability Act-HITECH**. Consultant understands that KCHA is a Covered Entity that provides medical and mental health services and that Consultant has no authorization to obtain access to any Protected Health Information ("PHI") in any form while performing services for KCHA. If, in the course of performing services, Consultant sees or hears any PHI, this PHI is to be treated as private and confidential, including the fact that a person has visited this facility(ies) or receives (or previously received) services from KCHA. The privacy and confidentiality of KCHA's patients are protected by KCHA policies and procedures, state laws and regulations and Federal HIPAA Regulations. If appropriate Consultant agrees to execute a business associate agreement with KCHA to supplement this Agreement if requested, to be incorporated herein as Exhibit D if so required.

22. **Liability of KCHA.** The liabilities or obligations of KCHA, with respect to its activities pursuant to this Agreement, shall be the liabilities or obligations solely of KCHA and shall not be or become the liabilities or obligations of the County of Kern or any other entity, including the state of California.

23. **Negation of Partnership.** In the performance of the Services, Consultant shall be, and acknowledges that Consultant is, in fact and law, an independent contractor and not an agent or employee of KCHA. Consultant has and retains the right to exercise full supervision and control of the manner and methods of providing the Services. Consultant retains full supervision and control over the employment, direction, compensation and discharge of all persons assisting Consultant in the provision of the Services. With respect to Consultant's employees, if any, Consultant shall be solely responsible for payment of wages, benefits and other compensation, compliance with all occupational safety, welfare and civil rights laws, tax withholding and payment of employee taxes, whether federal, state or local, and compliance with any Applicable Law regulating employment.

24. **Non-collusion Covenant.** Consultant represents and agrees that **(i)** it has in no way entered into any contingent fee arrangement with any firm or person concerning the obtaining of this Agreement with KCHA and **(ii)** it has received from KCHA no incentive or special payments and no considerations not related to the provision of the Services.

25. **Non-discrimination.** Neither Consultant, nor any Consultant Representative, shall discriminate in the treatment or employment of any individual or groups of individuals on the grounds of race, color, religion, national origin, age, sex, or any other classification protected by Applicable Law, either directly, indirectly or through contractual or other arrangements.

26. **Non-waiver.** No covenant or condition of this Agreement can be waived except by the written consent of KCHA. Forbearance or indulgence by KCHA shall not constitute a waiver of the covenant or condition to be performed by Consultant. KCHA shall be entitled to invoke any remedy available to KCHA under this Agreement or by Applicable Law despite the forbearance or indulgence.

27. **Notices.** All notices under this Agreement shall be provided to the KCHA CEO at the address indicated in the opening section of this Agreement and to the Consultant and Responsible KCHA Department at the addresses shown on the Schedule. Delivery shall be by personal delivery or deposit in the U.S. Mail, postage prepaid, registered or certified mail, addressed as specified above. Notices delivered personally shall be deemed received upon receipt; mailed or expressed notices shall be deemed received five days after deposit. A Party may change the address to which notice is to be given by giving notice as provided above. Nothing in this Agreement shall be construed to prevent or render ineffective delivery of notices under this Agreement by leaving the notice with the receptionist or other person of like capacity employed in Consultant's office, or the CEO.

28. **Captions and Interpretation.** Section headings in this Agreement are used solely for convenience, and shall be wholly disregarded in the construction of this Agreement. No provision of this Agreement shall be interpreted for or against a Party because that Party or its legal representative drafted the provision. This Agreement is the product of negotiation and both Parties are equally responsible for its authorship. California Civil Code Section 1654 shall not apply to the interpretation of this Agreement.

29. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

30. **Modifications of Agreement.** This Agreement may be modified in writing only, signed by the Parties in interest at the time of the modification.

31. **Regulatory Compliance.** In compliance with title 22, California Code of Regulations, section 70713 KMC will retain professional and administrative responsibility for services rendered under this Agreement. Consultant shall apprise Kern Medical of recommendations, plans for implementation and continuing assessment through dated and signed reports which shall be retained by Kern Medical for follow-up action and evaluation of performance.

32. **Access to Books and Records.** Until the expiration of four years after the expiration or termination of this Agreement, Kern Medical and Consultant shall make available, upon written request of the Secretary of the United States Secretary of Health and Human Services ("Secretary") or the Comptroller General of the United States General Accounting Office ("Comptroller General"), or any of their duly authorized representatives, a copy of this Agreement and such books, documents and records of either party as are necessary to certify the nature and extent of costs of the services Consultant provided under this Agreement.

33. **Severability.** If any term or provision of this Agreement is determined by a court to be in conflict with any Applicable Law, or otherwise be unenforceable or ineffectual, the validity of the remaining terms or provisions shall be deemed severable and shall not be affected, provided that the remaining terms or provisions can be construed in substance to constitute the agreement which the Parties intended to enter into on the Effective Date.

34. **Signature Authority.** Each Party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each Party has been properly authorized and empowered to enter into this Agreement.

35. **Sole Agreement.** This Agreement, including the Schedule and Exhibits, contains the entire agreement of the Parties relating to the Services, rights, obligations and covenants contained in this Agreement and assumed by the Parties. No inducements, representations or promises have been made, other than those stated in this Agreement. No oral promise, modification, change or inducement shall be effective or given any force or effect.

36. **Time of Essence.** Time is expressly declared to be of the essence of this Agreement and of each provision, and each provision is declared to be a material, necessary and essential part of this Agreement.

37. **No Third Party Beneficiaries.** The Parties understand and agree that the enforcement of these terms and conditions and all rights of action relating to enforcement, shall be strictly reserved to KCHA and Consultant. Nothing contained in this Agreement shall give or allow any claim or right of action by any other third person. It is the express intention of KCHA and Consultant that any person or entity, other than KCHA or Consultant, receiving services or benefits under this Agreement shall be deemed an incidental beneficiary only.

38. **Gender/Plural.** References to feminine, masculine or neutral include the other, and references to the singular or plural include the other.

39. **Recitals.** Each of the recitals is incorporated in this Agreement, is deemed to be the agreement and a reflection of the intent of the Parties, and is relied upon by the Parties in agreeing to the provisions of this Agreement and in interpreting its provisions.

40. **Priority.** In the event of a conflict between the terms of KCHA and any other Consultant/Vendor/Contractor document, whether incorporated herein or otherwise, the terms of KCHA shall control. No such terms shall not alter or add to these terms, the Master Terms and Conditions of KCHA, unless expressly agreed to by KCHA in a separate writing.

41. **Trademarks.** Consultant shall not use the trade names, trademarks, service marks, name or likeness of KHCA or any adaptation thereof, in any advertising, promotional or sales literature without prior written consent obtained from KCHA.

42. **Exhibits.** The below exhibits attached to this Agreement are incorporated into this Agreement by reference.
Exhibit A: Services
Exhibit A-1: IRS Form W-9
Exhibit B: Fee Schedule
Exhibit C: Insurance
Exhibit D: Intentionally Omitted
Exhibit E: Additional Engineering Terms

EXHIBIT A
SERVICES

Purchase of Lab Atellica Equipment.

EXHIBIT A-1

IRS FORM W-9

EXHIBIT B

FEE SCHEDULE

EXHIBIT "C"

INSURANCE

With respect to performance of work under this Agreement, Consultant shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain insurance as described below unless such insurance has been expressly waived in writing by KCHA. Any requirement for insurance to be maintained after completion of the work shall survive the termination or expiration of this Agreement.

KCHA reserves the right to review any and all of the required insurance policies and/or endorsements, but has no obligation to do so. Failure to demand evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Consultant from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

1. Workers' Compensation and Employers Liability Insurance:

   (a) Required if Consultant has employees. If Consultant currently has no employees, Consultant's written confirmation of such will be required before execution of this Agreement. If Consultant engages any employees during the term of this Agreement or any extensions thereof, Consultant agrees to obtain the specified Workers' Compensation and Employers Liability insurance.
   (b) Workers' Compensation insurance with statutory limits as required by the California Labor Code.
   (c) Employers Liability with limits of $1,000,000 per Accident; $1,000,000 Disease per employee; $1,000,000 Disease per policy.
   (d) Waiver of Subrogation: The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of KCHA for all work performed by Consultant, its employees, agents and subcontractors.
   (e) Required Evidence of Insurance: Certificate of Insurance.

2. General Liability Insurance:

   (a) Commercial General Liability Insurance on a standard occurrence form, no less broad than Insurance Services Office (ISO) form CG 00 01.
   (b) Minimum Limits: $1,000,000 per Occurrence; $2,000,000 General Aggregate; $2,000,000 Products/Completed Operations Aggregate. The required limits may be provided by a combination of General Liability Insurance and Commercial Umbrella Liability Insurance. If Consultant maintains higher limits than the specified minimum limits, KCHA requires and shall be entitled to coverage for the higher limits maintained by Consultant.
   (c) If Consultant has no Owned automobiles, the General Liability policy shall include Non-Owned and Hired Automobile Liability in the amount of $1,000,000 combined single limit per accident.
   (d) Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds $25,000 it must be approved in advance by KCHA. Consultant is responsible for any deductible or self-insured retention and shall fund it upon KCHA's written request, regardless of whether Consultant has a claim against the insurance or is named as a party in any action involving KCHA.
   (e) KCHA shall be named as an additional insured for liability arising out of operations by or on behalf of Consultant in the performance of this Agreement. See section 6 below for full Additional Insured wording.
   (f) The insurance provided to KCHA as an additional insured shall be primary to and non-contributory with any insurance or self-insurance program maintained by KCHA.
   (g) The policy definition of "insured contract" shall include assumptions of liability arising out of both ongoing operations and the products-completed operations hazard (broad form contractual liability coverage including the "f" definition of insured contract in ISO form CG 00 01, or equivalent).
   (h) The policy shall cover inter-insured suits between KCHA and Consultant and include a "separation of insureds" or "severability" clause, which treats each insured separately.
   (i) Required Evidence of Insurance: (i) Copy of the additional insured endorsement or policy language granting additional insured status; and (ii) Certificate of Insurance.

3. Automobile Liability Insurance:

   (a) Minimum Limits: $1,000,000 combined single limit per accident for bodily injury and property damage.
   (b) Insurance shall apply to all Owned autos. If Consultant currently owns no autos, Consultant agrees to obtain such insurance should any autos be acquired during the term of this Agreement or any extensions thereof.
   (c) Insurance shall include coverage for Non-Owned and Hired autos. (See requirements in section 1(c) above if there is no separate Automobile Liability coverage.)
   (d) KCHA shall be named as an additional insured for liability arising out of operations by or on behalf of Consultant in the performance of this Agreement. See section 6 for full Additional Insured wording.
   (e) Required Evidence of Insurance: Certificate of Insurance.

4. Professional Liability Insurance (Errors and Omissions):

   (a) Professional Liability Insurance (Errors and Omissions) appropriate to Consultant's profession.
   (b) Minimum Limits: $1,000,000 per Occurrence or Claim; $2,000,000 Annual Aggregate. If Consultant maintains higher limits than the specified minimum limits, KCHA requires and shall be entitled to coverage for the higher limits maintained by Consultant.
   (c) Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds $25,000 it must be approved in advance by KCHA. Consultant is responsible for any deductible or self-insured retention and shall fund it upon KCHA's written request, regardless of whether Consultant has a claim against the insurance or is named as a party in any action involving KCHA.
   (d) Required Evidence of Coverage: Certificate of Insurance.

5. Standards for Insurance Companies: Insurers shall have an A.M. Best's rating of at least A;VII.

6. Additional Insured Wording: "**Kern County Hospital Authority, its officers, officials, employees and volunteers**" are to be named as Additional Insureds as per each section where noted above.

7. Claims Made Policies: If any of the required policies provide coverage on a claims-made basis:
   (a) The Retroactive Date must be shown and must be before the Effective Date of the Agreement or the beginning of contract work.
   (b) Insurance must be maintained and evidence of insurance must be provided *for at least five (5) years after completion of the contract work.*
   (c) If coverage is canceled or non-renewed, and *not replaced with another claims-made policy form with a Retroactive Date* prior to the contract effective date, Consultant must purchase "extended reporting" coverage for a minimum of *five (5) years* after completion of the contract work.

8. Documentation:

   (a) The Certificate of Insurance must include the following reference: "**Agreement for Professional Services – Master Facility Plan.**"
   (b) All required Evidence of Insurance shall be submitted prior to the execution of this Agreement. Consultant agrees to maintain current Evidence of Insurance on file with KCHA for the entire term of this Agreement and any additional periods if specified in sections 1, 2, 3 or 4 above.
   (c) The name and address for the Certificates of Insurance and Additional Insured endorsements is: Kern County Hospital Authority, c/o Kern Medical Center, 1700 Mount Vernon Avenue, Bakersfield, California 93306.
   (d) Required Evidence of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least 10 days before expiration or other termination of the existing policy.
   (e) Consultant shall provide immediate written notice if: (i) any of the required insurance policies is terminated; (ii) the limits of any of the required policies are reduced; or (iii) the deductible or self-insured retention is increased.
   (f) Upon written request, certified copies of required insurance policies must be provided to KCHA within 30 days.

9. Policy Obligations: Consultant's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

10. Primary Coverage: For any claims related to this Agreement, Consultant's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects KCHA, its officers, directors, officials, employees, and volunteers. Any insurance or self-insurance maintained by KCHA, its officers, directors, officials, employees, or volunteers shall be excess of Consultant's insurance and shall not contribute with it.

11. Waiver of Subrogation: Consultant hereby grants to KCHA a waiver of any right to subrogation, which any insurer of said Consultant may acquire against KCHA by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not KCHA has received a waiver of subrogation endorsement from the insurer.

12. Material Breach: If Consultant fails to maintain the insurance required by this Agreement, it shall be deemed a material breach of this Agreement. KCHA, at its sole option, may terminate this Agreement and obtain damages from Consultant resulting from said breach. Alternatively, KCHA may purchase the required insurance, and without further notice to Consultant, KCHA may deduct from sums due to Consultant any premium costs advanced by KCHA for such insurance. These remedies shall be in addition to any other remedies available to KCHA.

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EXHIBIT E
ADDITIONAL TERMS APPLICABLE TO CONSTRUCTION/ENGINEERING AGREEMENTS

The Kern County Hospital Authority (KCHA), a public agency that is a local unit of government, which owns and operates Kern Medical Center, is subject to a variety of statutes (e.g. codes) and regulations that now apply to you as a Consultant/Contractor of KCHA. This Exhibit E outlines some, but not necessarily all of the requirements that you may now be required to meet as a Consultant/Contractor of a public entity.

I. COMPLIANCE WITH LABOR STANDARDS

1. KCHA has determined that the work contemplated by this Agreement falls within the definitions of "Public Works" set forth in the California Labor Code. Contractor acknowledges that Contractor is fully aware of prevailing wage requirements for public works projects as set forth in Article 2 (commencing with section 1770) of Chapter 1, Part 7 of the California Labor Code ("Prevailing Wage Requirements") and Contractor agrees to comply with the provisions of that Article to the extent the Prevailing Wage Requirements are applicable to the work conducted under this Agreement. Contractor further agrees that to the extent applicable, Contractor shall require any subcontractor it contracts with to comply with the Prevailing Wage Requirements. Contractor also agrees to indemnify, defend (upon request of KCHA) and hold , its officers, agents and employees, harmless from all claims, costs, causes of action, attorney fees, damages or liability from the failure of Contractor or Contractor's subcontractors to comply with the Prevailing Wage Requirements.

The Department of Industrial Relations of the State of California has determined the general prevailing rate of wages for each craft, classification or type of workers needed in the execution of contracts under the jurisdiction of Kern County. The schedule of rates can be obtained from or are on file with the Engineering Department at Kern Medical Center, located at 1700 Mt. Vernon Avenue, Bakersfield, CA 93305 and is hereby incorporated herein by this reference.

II. APPRENTICESHIP PROGRAM

1. Compliance Required

Contractor and Subcontractors shall comply with the requirements of California Labor Code §§1776, 1777.5, and 1777.6 concerning the employment of apprentices by Contractor or Subcontractors. Willful failure to comply may result in penalties, including loss of the right to Bid on or receive public works contracts.

2. Certification of Approval

California Labor Code §1777.5, as amended, requires a Contractor or Subcontractor employing tradespersons in any apprenticeable occupation to apply to the joint apprenticeship committee nearest the site of a public works project and which administers the apprenticeship program in that trade for a certification of approval. The certificate shall also fix the ratio of apprentices to journeypersons that will be used in performance of the Contract. The ratio of work performed by apprentices to journeypersons in such cases shall not be less than one *hour* of apprentices work for every five *hours* of labor performed by journeypersons (the minimum ratio for the land surveyor classification shall not be less than one apprentice for each five journeypersons), except:

A. When unemployment for the previous three month period in the area exceeds an average of 15 percent;
B. When the number of apprentices in training in the area exceeds a ratio of one to five;
C. When a trade can show that it is replacing at least 1/30 of its membership through apprenticeship training on an annual basis state-wide or locally; or
D. Assignment of an apprentice to any work performed under a public works contract would create a condition which would jeopardize his or her life or the life, safety, or property of fellow employees or the public at large or if the specific task to which the apprentice is to be assigned is of such a nature that training cannot be provided by a journeyperson.

3. Fund Contributions

Contractor is required to make contributions to funds established for administration of apprenticeship programs if Contractor employs registered apprentices or journeypersons in any apprenticeable trade on such contracts and if other contractors on the public works site are making such contributions.

4. Apprenticeship Standards

Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of the California Department of Industrial Relations, or from the Division of Apprenticeship Standards and its branch offices.

III. SUPPLEMENTARY CONDITIONS – INSURANCE AND INDEMNIFICATION

1. INSURANCE

A. In addition to the Insurance requirements in Exhibit C, Contractor, in order to protect the KCHA and its board members, officials, agents, officers, employees and volunteers against all claims and liability for death, injury, loss and damage as a result of

Contractor's actions in connection with the performance of Contractor's obligations, as required in the Contract Documents, shall secure and maintain insurance as described below. Contractor shall not perform any work under the Contract Documents until Contractor has obtained all insurance required under this section and the required certificates of insurance and all required endorsements have been sent to KCHA Risk Management at riskmanagement@kernmedical.com.

1) Workers' Compensation and Employers Liability Insurance Requirement -- In the event Contractor has employees who may perform any services pursuant to the Contract Documents, Contractor shall submit written proof that Contractor is insured against liability for workers' compensation in accordance with the provisions of section 3700 of the California Labor Code.

By signing the Agreement, Contractor makes the following certification, required by section 1861 of the Labor Code:

> I am aware of the provisions of section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work pursuant to the Contract Documents.

2) If injury occurs to any employee of Contractor, Subcontractor or sub-subcontractor for which the employee, or the employee's dependents in the event of employee's death, is entitled to compensation from KCHA under provisions of the Workers' Compensation Insurance and Safety Act, as amended, or for which compensation is claimed from KCHA, KCHA may retain out of sums due Contractor under the Contract Documents, an amount sufficient to cover such compensation, as fixed by the Workers' Compensation Insurance and Safety Act, as amended, until such compensation is paid, or until it is determined that no compensation is due. If KCHA is compelled to pay compensation, KCHA may, in its discretion, either deduct and retain from the Contract Sum the amount so paid, or require Contractor to reimburse KCHA.

3) Nothing herein shall be construed as limiting in any way the extent to which Contractor or any Subcontractor may be held responsible for payment of damages resulting from their operations.

4) All Subcontractors shall maintain the same insurance required to be maintained by Contractor with respect to their portions of the Work unless otherwise indicated in the Contract Documents, and Contractor shall cause the Subcontractors to furnish proof thereof to KCHA within ten Days of KCHA's request.

2. INDEMNIFICATION

A. In addition to the Indemnification requirements in the Agreement, KCHA and each of its officers, employees, consultants and agents including, but not limited to, its Board, Project Manager and any Representative, shall not be liable or accountable in any manner for loss or damage that may happen to any part of the Work; loss or damage to materials or other things used or employed in performing the Work; injury, sickness, disease, or death of any person; or damage to property resulting from any cause whatsoever except their sole negligence, willful misconduct or active negligence, attributable to performance or character of the Work, and Contractor releases all of the foregoing persons and entities from any and all such claims.

B. To the furthest extent permitted by law (including without limitation California Civil Code §2782), Contractor shall assume defense of, and indemnify and hold harmless, KCHA in accordance with the Agreement and with respect to third-party claims against Contractor, Contractor waives any and all rights to any type of express or implied indemnity against KCHA and each of its officers, employees, consultants and agents including, but not limited to KCHA, the Board, Project Manager and any Representative. KCHA shall provide timely notice to Contractor of any third-party claim relating to the Contract Documents, in accordance with Section 9201 of the California Public Contract Code.

1) Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Contractor, its Subcontractors of any tier, or the officers or agents of any of them.

2) To the furthest extent permitted by law (including, without limitation, Civil Code §2782), the indemnities, releases of liability and limitations of liability, claims procedures, and limitations of remedy expressed throughout the Contract Documents shall apply even in the event of breach of Contract, negligence (active or passive), fault or strict liability of the party(ies) indemnified, released, or limited in liability, and shall survive the termination, rescission, breach, abandonment, or completion of the Work or the terms of the Contract Documents. If Contractor fails to perform any of these defense or indemnity obligations, KCHA may in its discretion back charge Contractor for KCHA's costs and damages resulting therefrom and withhold such sums from progress payments or other Contract moneys which may become due.

3) The indemnities in the Contract Documents shall not apply to any indemnified party to the extent of its sole negligence or willful misconduct; nor shall they apply to KCHA or other indemnified party to the extent of its active negligence.

Kern County Hospital Authority

Construction Division of Engineering
Project Cost Analysis

Date: 02/27/26
V1

From: Nanette Crawford - Capital Proejcts Manager

Subject: Project Cost Analysis to Date

Project: Lab Atellica Equipment
Project No: 10169
Budget Info Capital Fund - CIP

Orignal Project Budget :			$473,901.00
Expenditures to Date:		$	2,782.50
	Design	$ 2,782.50	
Current Unencumbered Balance:			$471,118.50
Outstanding Expenditures		$	109,268.50
	Design	$ 79,042.50	
	Water Softner	$ 25,226.00	
	Misc Exp	$ 5,000.00	
	***HCAI Inspect, Permits & Testing	$44,500.00	
Construction Contract			$280,514.00
10.00%	Contingencies		$28,051.40
= TOTAL ESTIMATED PROJECT COST		$	420,616.40
Budget Balance : Surplus or (Deficit)			$53,284.60

Comments: License is Current, Active, and in Good Standing

HCAI Inspection*	BSK Testing *	HCAI Fees/Permit *
$15,000.00	$10,000.00	$19,500.00

NT: Project Costs Formal Board Contract
Funding Source: Capital CIP Funding

KERN COUNTY HOSPITAL AUTHORITY
KERN MEDICAL

Construction Division of Engineering

COST ESTIMATE

PROJECT TITLE: Lab - Atellica Equipment
DEPARTMENT: Lab
F/Y: 25/26
FILE LOCATION: 24KM011 - Budget/Estimate

DATE: 2/23/2026
EST'D BY: Nanette
CHK'D BY:

ITEM NO.	QTY.	UNIT OF MEAS	ITEM	UNIT PRICE	EXTENSION PRICE
1			Construction		$273,000.00
2			Infection Control		$15,475.00
			SUBTOTAL		$288,500.00
			10 % CONTINGENCY		$28,850.00
			20 % Escalation		$ -
			Water Softner System		$ 25,226.00
			CONSTRUCTION TOTAL		**$342,576.00**
			DESIGN	$81,825.00	
			MISC EXPENSES	$5,000.00	
			OSHPD INSPECTION (Estimated Lump Sum)	$15,000.00	
			ITEMS REQ'D BY OTHER AGENCIES:		
			SURVEY/INVESTIGATIONS (Estimated)		
			3RD PARTY TESTING	$10,000.00	
			BUILDING PERMIT FEE	$19,500.00	
			SUBTOTAL	**$131,325.00**	
			TOTAL PROJECT COST		**$473,901.00**

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Amendment No. 1 to Agreement 141-2025 with Nwestco, LLC

Recommended Action: Make finding that the project is exempt from further CEQA review per sections 15301, 15302 and 15061(b)(3) of State CEQA Guidelines; Approved; Authorize Chairman to Sign; Authorize the Chief Executive Officer to sign future Amendments in an amount not to exceed 10% of the total contract price

Summary:

Kern Medical requests your Board approve proposed Amendment No. 1 to the Agreement with Nwestco, LLC, in the amount of $14,613 to abandon the Underground Fuel tank in place.

On December 17, 2025, your Board approved an Agreement 141-2025 with Nwestco, LLC in the amount of $108,754 to remove the underground fuel tank.

This proposed Amendment No. 1 in the amount of $14,613 provides compensation fill the fuel tank with a concrete slurry and abandon in place.

Therefore, it is recommended that your Board make a finding that the project is exempt from further CEQA review per sections 15301, 15302 and 15061(b)(3) of State CEQA guidelines; approve the Amendment No. 1 with Nwestco, LLC in the amount of $14,613 for a new total of $123,367, effective April 15, 2026 through project competition; authorize the Chairman to sign; and authorize the Chief Executive Officer to sign future Amendments up to 10% of the contract amount, for a new potential not to exceed amount of $135,703.

AMENDMENT NO. 1
TO
PERSONAL/PROFESSIONAL SERVICES AGREEMENT
(Kern County Hospital Authority–Nwestco, LLC)

THIS AMENDMENT TO AGREEMENT, effective April 15, 2026, is between the Kern County Hospital Authority, a local unit of government ("KCHA"), which owns and operates Kern Medical Center ("KMC"), and Nwestco, LLC ("Consultant") with its principal place of business located at 115 Industrial Court, Kallspell, Montana, 55901.

WITNESSETH:

WHEREAS, KCHA and Consultant entered into a Personal/Professional Services Agreement dated December 17, 2025 (Agt. #141-2025) ("Agreement"), for the period December 17, 2025 through project completion; and

WHEREAS, the parties to the Agreement desire to amend the Agreement as specified herein below;

NOW, THEREFORE, KCHA and Consultant do mutually agree as follows (check those applicable):

___ **Term**. The Agreement shall be extended from __ to ___, unless sooner terminated as provided for in the Agreement.

_X_ **Fees** payable by KCHA under the Agreement shall increase by $14,612.79, from $108,753.33 to $123,366.12.

___ **Travel Expenses** payable by KCHA under the Agreement shall increase from by $, from $ to $.

___ **Services**. See Exhibits A-1 and B-1, attached hereto and incorporated herein by this reference, for revised Services.

___ **Other**

Except as expressly amended herein, all provisions of the Agreement, as previously amended, shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment No. 1 to the Agreement has been executed as of the date indicated above.

KERN COUNTY HOSPITAL AUTHORITY

By _____.
Chairman, Board of Governors
"KCHA"

Date: _____.

APPROVED AS TO CONTENT:
Responsible KCHA Department

By _____.
Scott Thygerson, Chief Executive Officer

Date: _____.

CONSULTANT

By _____.
Name:
Title:
"Consultant"

Date: 03/13/2026.

APPROVED AS TO FORM:
Legal Services Department

By _____.
Hospital Counsel
Kern County Hospital Authority

Date: 4/8/26.

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Amendment to Agreement 69623 with Enviro Services, Inc., (DBA Monitronics)

Recommended Action: Approve; Authorize Chairman to sign

Summary: Kern Medical requests your Board approve the proposed agreement with Enviro Services, Inc., (DBA Monitronics) for continued professional services for IV room certification, which is required by the Board of Pharmacy. On October 10, 2023, Kern Medical entered into a three (3) year agreement with Enviro Services, Inc., dba Monitorics, for IV room certification in an amount not to exceed $20,000. The proposed Amendment extends the Agreement for an additional three (3) years, from May 10, 2026 through May 9, 2029, and increases the maximum payable to $65,000, an increase of $45,000.

Therefore, it is recommended that your Board approve the proposed Amendment to Agreement 69623 with Enviro Services Inc (DBA Monitronics), for IV room certification services, extending the term from May 10, 2026 through May 9, 2029, and increasing the maximum payable from $20,000 to $65,000, an increase of $45,000, and authorize the Chairman to sign.

AMENDMENT NO. 1
TO
TERMS AND CONDITIONS
(Kern County Hospital Authority–Enviro Services., dba Monitronics)

THIS AMENDMENT NO. 1 TO TERMS AND CONDITIONS AGREEMENT, effective April 15, 2026, is between the Kern County Hospital Authority, a local unit of government ("KCHA"), which owns and operates Kern Medical Center ("KMC"), with its primary place of operations at 1700 Mount Vernon Avenue, Bakersfield, CA 93306, and Enviro Services, Inc., dba Monitronics ("Vendor") with its principal place of business located at 3450 N. Verdugo Road, Glendale, California 91208.

WITNESSETH:

WHEREAS, KCHA and Vendor entered into a Purchase Order Agreement dated May 10, 2023 (KCHA Agt. #69623) ("Agreement"); and

WHEREAS, the parties to the Agreement desire to amend the Agreement as specified herein below;

NOW, THEREFORE, KCHA and Vendor do mutually agree as follows (check those applicable):

X	**Term**. The Agreement shall be extended from May 10, 2026 to May 9, 2029, unless sooner terminated as provided for in the Agreement.
X	**Fees** payable by KCHA under the Agreement shall increase by $45,000, from $20,000 to $65,000.
___	**Travel Expenses** payable by KCHA under the Agreement shall increase from by $, from $ to $.
___	**Services**. See Exhibit ____, attached hereto and incorporated herein by this reference, for revised Services.
____	**Other**

Except as expressly amended herein, all provisions of the Agreement, as previously amended, shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment No. 1 to the Agreement has been executed as of the date indicated above.

KERN COUNTY HOSPITAL AUTHORITY

By _____
Chairman, Board of Governors
"KCHA"

Date: _____

ENVIRO SERVICES, INC. DBA MONITRONICS
"Vendor"

By _____

Name Heather Page Nassaney

Title Document Supervisor

Date: 3/16/2026

APPROVED AS TO CONTENT:
Responsible KCHA Department

By _____
Scott Thygerson, Chief Executive Officer

Date: _____

APPROVED AS TO FORM:
Legal Services Department

By _____
Hospital Counsel
Kern County Hospital Authority

Date: 4/8/26

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Amendment to Agreement/Quote Number 60958US with Beckman Coulter, Inc.

Requested Action: Approve; Authorize Chairman to sign

Summary: Kern Medical requests your Board approve the proposed Amendment to Agreement/Quote Number 60958US with Beckman Coulter, Inc., extending the term and pricing for one (1) year in an amount not to exceed $125,000. Under this agreement, the vendor provides service, products, and consumables for critical and routine Hematology diagnostic testing for Kern Medical and all ancillary clinics. Beckman Coulter is the manufacturer of our current instrumentation and a leader in Hematology Diagnostics. Beckman Coulter has been a reliable vendor with Kern Medical for over a decade.

On November 20, 2016, Kern Medical entered into a five (5) year agreement in an amount not to exceed $334,560. On December 1, 2016, Kern Medical entered into an addendum removing various terms including auto-renewal language.

On April 15, 2022, Kern Medical entered into an amendment extending the term of the Agreement for an additional year. On June 6, 2023, Kern Medical entered into an amendment extending the term of the Agreement for an additional year. On April 1, 2024, Kern Medical entered into an amendment extending the term of the Agreement for an additional year.

On April 16, 2025, your Board approved the Fourth Amendment extending the agreement for an additional year and increasing the not to exceed amount by $45,000.

Now Kern Medical requests your Board approve the proposed fifth Amendment which extends the term for an additional year, from April 15, 2026 through April 15, 2027, and increase the not to exceed amount by $125,000, bring the total expenditure under this Agreement to $ 1,101,160.45
.
Therefore, it is recommended that your Board approve the proposed Amendment to Agreement/ Quote Number 60958US with Beckman Coulter, Inc., extending the term and pricing for one (1) year, from April 15, 2026 through April 15, 2027, and increasing the not to exceed by $125,000 for a total expenditure of $ 1,101,160.45, plus tax and shipping, and authorize the Chairman to sign.

Docusign Envelope ID: 63214F71-EAAE-421A-AD88-C80C6D137813

Amendment to Agreement/Quote Number 60958US ("Agreement")

This amendment to the Agreement ("Amendment") is entered into as of the later of the parties' signature below (the "Amendment Effective Date") by and between Beckman Coulter, Inc. ("Beckman Coulter") and **Kern Medical Center** ("Customer").

Recitals

WHEREAS, Customer and Beckman Coulter now wish to amend certain terms of the Agreement as set forth herein.

NOW THEREFORE, in consideration of the mutual promises and conditions herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Term.** The Term of the Agreement is hereby extended for one (1) year and will now expire on April 19, 2027 ("Amended Term"). The Initial Agreement Term will automatically renew for additional successive one year terms (each a "Renewal Term"), unless terminated by either party upon ninety (90) days written notice of termination prior to the expiration of the then current term.

2. **General.** The terms of this Amendment shall supersede any inconsistent or different terms contained in the Agreement. Except as expressly modified herein, all terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS THEREOF, the parties hereto have executed this Amendment as of the Amendment Effective Date.

Beckman Coulter, Inc.	**Kern Medical Center**
By: Signed by: Katie Towers 025D8738B9E84C1...	By:
Name: Katie Towers	Name:
Title: Senior Manager, Contract Administration	Title:
Date: 3/19/2026	Date:

APPROVED AS TO FORM:
Legal Services Department

By Phillip Jenkins
Kern County Hospital Authority

JB/pa

Confidential Company Proprietary

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Ensure Requisition/Purchase Order issued to GE Precision Healthcare

Recommended Action: Approve; Authorize Chairman to sign

Summary:
Kern Medical requests your Board approve the proposed Ensure Requisition/Purchase Order with GE Precision Healthcare for the purchase of a SIGNA™ Voyager 49-ch Mobile system with Fixed Table, a new MRI machine, in an amount not to exceed $2,350,000 over a five (5) year term. The new machine will be a large bore machine allowing us to expand our portfolio of studies, be more time efficient, and reduce patient wait times. This proposed Agreement will also allow Kern Medical to obtain the latest MR imaging technology increasing our clinical satisfaction.

Currently, Kern Medical is renting an MRI trailer at the rate of $55,000 per month. By approving this proposed Agreement, and the other MRI purchase related agreements, your Board will provide a significant savings of $405,000 to Kern Medical over the next five (5) years.

Therefore, it is recommended that your Board approved the proposed Ensure Requisition/ Purchase Order with GE Precision Healthcare for the purchase of a SIGNA™ Voyager 49-ch Mobile system with Fixed Table, a new MRI machine, in an amount not to exceed $2,350,000 over a five (5) year term, effective April 15, 2026 through April 14, 2031; and authorize the Chairman to sign.

GE HealthCare

January 29, 2026
Quote Number: **2012255072.7**
Customer ID: **1-23R4ES**
Quotation Expiration Date: **03/31/2026**

ENSURE REQUISITION/PURCHASE ORDER IS ISSUED TO:
GE PRECISION HEALTHCARE
TAX ID (83-0849145)

Kern Medical
1700 Mount Vernon Ave
Bakersfield, CA93306-4018

This Agreement (as defined below) is by and between the Customer and the GE HealthCare business ("GE HealthCare"), each as identified below for the sale and purchase of the Products and/or Services identified in this Quotation, together with any applicable schedules referred to herein ("Quotation"). "Agreement" is this Quotation (including line/catalog details included herein) and either: (i) the Governing Agreement identified below; or (ii) if no Governing Agreement is identified, the GE HealthCare Terms and Conditions and Warranties that apply to the Products and/or Services identified in this Quotation.

GE HealthCare can withdraw this Quotation at any time before Customer: (i) signs and returns this Quotation or (ii) provides evidence of Quotation acceptance satisfactory to GE HealthCare ("Quotation Acceptance"). On Quotation Acceptance, this Agreement is the complete and final agreement of the parties relating to the Products and/or Services identified in Quotation. There is no reliance on any terms other than those expressly stated or incorporated by reference in this Agreement and, except as permitted this in this Agreement, no attempt to modify will be binding unless agreed to in writing by the parties. Modifications may result in additional fees and cannot be made without GE HealthCare's prior written consent.

Handwritten or electronic modifications on this Agreement (except an indication of the form of payment, Customer purchase order number and signatures on the signature blocks below) are void.

Governing Agreement:	HealthTrust Diagnostic Imaging (see Gov Agreement Reference Page below)
Terms of Delivery	FOB Destination
Billing Terms	80% on Delivery / 20% on Acceptance
Payment Terms	NET 30
Sales and Use Tax Exemption	No Certificate on File
Total Quote Net Selling Price	$2,019,306.21

IMPORTANT CUSTOMER ACTIONS:

Please select your planned source of funds. Source of funds is assumed to be cash unless you choose another option. Once equipment has been shipped, source of funds changes cannot be allowed.

___ Cash

___ GE HFS Loan ___ GE HFS Lease

___ Other Financing Loan ___ Other Financing Lease Provide Finance Company Name _____

The parties have caused this Agreement to be executed by their authorized representative as of the last signature date below.

Kern Medical

Signature: _____

Print Name: _____

Title: _____

Date: _____

_____
Purchase Order Number, if applicable

GE Precision Healthcare LLC

Signature: Andy Scism D. Andrew Scism 3/30/26

Title: Account Manager - VASO Mfr Rep

Date: January 29, 2026

APPROVED AS TO FORM:
Legal Services Department

By Phillip Jenkins
Kern County Hospital Authority

GE HealthCare Confidential and Proprietary

GE HealthCare

January 29, 2026
Quote Number: **2012255072.7**
Customer ID: **1-23R4ES**
Quotation Expiration Date: **03/31/2026**

Document Instructions

Please sign and return this quotation together with any Purchase Order(s) to:

Name: Andy Scism

Email andy.scism@gehealthcare.com

Phone: 760-672-6705

Fax:

Name: Kenneth Grant

Email kenneth.grant1@gehealthcare.com

Phone: 9492010929

Fax:

Payment Instructions

Please **remit** payment for invoices associated with this quotation to:

GE Precision Healthcare LLC
P.O. Box 96483
Chicago, IL 60693

FEIN: 83-0849145
Vendor Number: 902900

Kern Medical

		Addresses:
Bill To:	KERN MEDICAL	KERN MEDICALACCOUNTS PAYABLE PO BOX 3519 BAKERSFIELD CA 93385-3519
Ship To:	KERN MEDICAL	KERN MEDICAL 1700 MOUNT VERNON AVE BAKERSFIELD CA 93306-4018

To Accept This Quotation

- Please sign the quote and any included attachments (where requested).
- Source of Funds (choice of Cash/Third Party Loan or GE HFS Lease Loan or Third Party Lease through _____), must be indicated, which may be done on the Quote Signature Page (for signed quotes), or the Purchase Order (where quotes are not signed) or via a separate written source of funds statement (if provided by GE HealthCare).
- If your purchasing process requires a purchase order, please make sure it includes:
  - The correct Quote number and Version number above
  - The correct Remit To information as indicated in “Payment Instructions” above
  - Your correct SHIP TO and BILL TO site name and address
  - The correct Total Price as indicated above

Evidence of the agreement to contract terms. Either: (a) the quotation signature filled out with signature and P.O. number; or (b) Verbiage on the purchase order stating one of the following:

(i) “Per the terms of Quotation # _____”;
(ii) “Per the terms of GPO # _____”;
(iii) “Per the terms of MPA# _____”; or
(iv) “Per the terms of SAA # _____.

GE HealthCare Confidential and Proprietary

Purchases

Line	Qty	Catalog	
1.	1.00	Y0000LC	**Pricing Non-Disclosure Language**

List Price	Discount	Extended List Price	Net Price
$0.00	Incl.	$0.00	$0.00

This CONFIDENTIAL offer may not be shared with any third parties, buying evaluation groups or anyone not directly employed by customer. This offer is being extended in relation to a national show-site agreement, research partnership, or other non-standard transaction. If required for publishing, GE will happily provide a list price quote.

Line	Qty	Catalog	
2.	1.00	Y0000GC	**US AMST/KTT – Advanced Mobility Mobile Unit (For tracking purpose only - non purchasable catalog)**

List Price	Discount	Extended List Price	Net Price
$0.00	Incl.	$0.00	$0.00

US AMST/KTT – Advanced Mobility Mobile Unit (For tracking purpose only - non purchasable catalog)

Line	Qty	Catalog	
3.	1.00	S7530NU	**SIGNA™ Voyager 49-ch Mobile system with Fixed Table**

List Price	Discount	Extended List Price	Net Price
$2,709,500.00	62.90%	$2,709,500.00	$1,005,150.43

The SIGNA™ Voyager 1.5T 70cm wide-bore magnetic resonance system was designed to enable you to deliver both clinical excellence and operational efficiency while addressing the cost of ownership for 1.5T wide-bore technology. With SIGNA™ Voyager simplify and accelerate the scanning process from set-up to acquisition to post-processing for your technical staff, with access to an extensive range of clinical imaging and advanced visualization capability for your clinicians.

This configuration of SIGNA™ Voyager is designed for installation in the mobile environment. The system catalog comprises the magnet, RF-architecture electronics, core RF coil suite, gradient electronics, reconstruction engine, and patient table. In addition, the necessary system cabinets, site collectors, installation collectors, calibration phantoms, and LCD monitor required for installation are part of this system catalog:

- 1.5T high-homogeneity magnet for mobile environment
- TDI Total Digital Imaging RF-Receive Technology
- Core RF Coil Suite: TDI PA and TDI HNU
- UHE Gradient with IGC and Quiet Acoustic Reduction Technology
- DL Performance Reconstruction Engine
- Comfort Plus Patient Table

This offering of SIGNA™ Voyager also provides additional advanced capability and applications that further extend clinical capability and performance.

- 49ch upgrade for the TDI Total Digital Imaging RF-Architecture
- SIGNA™Works Clinical Toolkit Extensions
- SIGNA™Works Advanced Recon, Acceleration, Applications

PLEASE NOTE, the SIGNA™ Voyager system comprises several essential elements quoted and described separately. These elements include (at a minimum):

- SIGNA™ Software and Clinical Applications Toolkits
- Host PC and Operator Console (GOC)
- Anterior Array Surface Coil

TECHNOLOGY FOUNDATION

The magnet, RF-architecture, gradient and computing technology infrastructure on SIGNA™ Voyager is designed to deliver the signal-to-noise, dynamic range, spatial resolution, temporal resolution and computational power needed to enable

demanding clinical applications. (Note, this catalog includes the reconstruction computer while the Host PC is sold separately.)

High-Homogeneity 1.5T Magnet
The magnet is the foundation of the system, and the high-homogeneity SIGNA™ Voyager magnet is designed to provide large field-of-view imaging with uniform image quality. As a result, large anatomy can be imaged with a FOV of up to 50 cm, and off-center anatomy, such as the upper extremity, can be imaged without the need to position the anatomy at the magnet center. In addition, the SIGNA™ Voyager magnet delivers the robust fat suppression capability needed for musculoskeletal and body imaging as well as the performance needed for demanding applications such as diffusion imaging and spectroscopy. To address siting and operating costs, the SIGNA™ Voyager magnet utilizes active-shielding technology to enable flexible siting, including siting in the mobile environment, and zero-boil technology to address the need for helium refills.

- Patient bore: 70 cm x 70 cm
- Patient aperture: 74 cm
- 2-way in-bore intercom system
- Adjustable in-bore lighting
- Adjustable in-bore ventilation
- Shielding: active
- Shimming: active and passive

Total Digital Imaging (TDI) and RF Coil Suite
SIGNA™ Voyager features the Total Digital Imaging RF-architecture that uses a Direct Digital Interface (DDI) to convert the signal from each coil element to a digitized signal (there is no mixing of signal from multiple elements to the same digitizer) to deliver high signal, low noise with extended dynamic range or gray-scale capability. This offering of SIGNA™ Voyager upgrades the TDI RF-architecture to 49 channels.

The SIGNA™ Voyager coil suite is designed to enhance patient comfort and image quality while simplifying workflow. The core suite includes:

- (1) Integrated T/R Body Coil
- (1) TDI Posterior Array
- (1) TDI Head-Neck Unit

The TDI Posterior Array is designed to simplify workflow and enhance efficiency for the technologist. The PA coil is embedded in the patient table and can be used in conjunction with the HNU (included) and the Anterior Array (sold separately). Whole-body imaging and parallel imaging in 3 directions are supported. In addition, the system will automatically select the appropriate subset of coil elements based on the prescribed FOV and is invisible to additional surface coils when they are placed directly on top of the surface.

- Elements: 32
- Length: 120.5 cm; Width: 46.6 cm
- S/I coverage: 113 cm
- Parallel imaging in all three scan planes

The TDI Head and Neck Unit comprises the baseplate and the anatomically optimized Neuro-vascular array and the Open-face array. The superior end of the HNU can be elevated to enhance patient comfort and access. The HNU is designed to be used in conjunction with the TDI Posterior Array and the Anterior Array (sold separately). Parallel imaging in 3 directions is supported.

- Elements: up to 21 combined with PA
- Length: 53 cm; Width: 35 cm
- Height with NV Array: 35 cm
- Height with Open Array: 25.7 cm
- S/I coverage: up to 32 cm with the NV
- Parallel imaging in all three scan planes

UHE Gradient with IGC and Quiet Acoustic Reduction Technology
SIGNA™ Voyager introduces the Ultra High Efficiency (UHE) gradient system with Intelligent Gradient Control (IGC) technology. The IGC gradient driver employs a digital control system that utilizes predictive models of the electrical and thermal characteristics of the gradient coil to maximize performance. As a result, SIGNA™ Voyager delivers exceptional minimum TR and TE capability while reducing power consumption. The gradient coil and the RF body coil are integrated into a single

module which is water and air-cooled for optimum duty-cycle performance and patient comfort. In addition, the gradients are non-resonant and actively shielded to minimize eddy currents to deliver high fidelity, accuracy and reproducibility over a large FOV.
• Peak amplitude per axis: 36 mT/m
• Up to 150 T/m/s instantaneous peak slew rate per axis
• Maximum FOV: 50 cm x 50 cm x 50 cm
• Duty Cycle: 100%

Designed to deliver an enhanced patient experience, SIGNA™ Voyager features Quiet Acoustic Reduction Technology (ART) that significantly addresses both vibrational noise and airborne sound. Quiet acoustic reduction uses 5 levels of isolation, dampening and gradient optimization technology to mitigate vibration and mute sound.
• Gradient & RF coil isolation – isolates the resonance module from the magnet
• Vibro-acoustic isolation –isolates the magnet from the building
• Mass-damped acoustic barriers – further mutes sound
• Gradient waveform optimization – user selectable

DL Performance Reconstruction Engine
SIGNA™ Voyager utilizes the Gen7 Dual Intel Xeon Gold 5118 computer and Linux operating system to deliver high-capacity, high-speed reconstruction of large data sets. In addition, the Orchestra computing toolbox enables the integration of advanced reconstruction elements to support demanding, data intense, applications as well as access to the reconstruction algorithms.
• Memory: >= 128 GB
• Hard Disk Storage: 960 GB
• 2D FFT/second (256 x 256 Full FOV): 63,000 2DFFT/second

Note, SIGNA™ Voyager generates MR Image, Secondary Capture, Structured Report, and Gray Scale Softcopy Presentation State DICOM objects. The DICOM networking supports both send and query retrieve as well as send with storage commit to integrate with PACS archive. Please refer to the DICOM Compliance Statement for details.

Comfort Plus Patient Table
This offering of SIGNA™ Voyager features the fully integrated Comfort Plus patient table. The Comfort Plus patient table houses the TDI Posterior Array (previously described) and touch sensitive AIR™ Touch land-marking and can be lowered to a very low height to facilitate transfer of wheelchair patients. The cradle width has also been increased by ~30% from previous generations to enhance the ability to accommodate a broad range of patients.
• Maximum patient weight for scanning: 550 LBS
• Maximum patient weight for lift: 550 LBS
• Automated vertical and longitudinal power drive
• Fast longitudinal speed: 25 cm/sec
• Slow longitudinal speed: 1.9 cm/sec
• IntelliTouch & laser land-marking
• Laser alignment land-marking

SIGNA™Works CLINICAL TOOLKIT EXTENSIONS

SIGNA™ Software and Clinical Applications Toolkits (sold separately) are organized and optimized to address six clinical work areas: NeuroWorks, OrthoWorks, BodyWorks, OncoWorks, CVWorks and PaedWorks. This offering of SIGNA™ Voyager extends the clinical utility and performance of these core toolkits with:
- eDWI enhanced diffusion with Multi-B value and SmartNEX
- DTI diffusion tensor imaging
- FiberTrak post-processing for diffusion tensor to display white matter tracking
- 3D SWAN 2.0 GRE-based multi-echo susceptibility imaging including phase image
- Inhance 2.0 non-contrast MRA suite (3D velocity, 2D inflow, inflow IR, and Deltaflow)
- TRICKS dynamic contrast enhanced, multiphase 3D MRA
- MAVRIC SL 3D FSE-based spectral imaging for MR-Conditional implants
- CartiGram T2 cartilage mapping
- IDEAL FSE 3-point Dixon fat-water separation
- Flex 2-point Dixon fat-water separation for 2D FSE, 3D Cube and GRE

- Cine IR fast gradient echo with IR-prep pulse
- 2D PS MDE phase sensitive tissue characterization with wide bandwidth suppression and single-shot
- Black Blood SSFSE single-shot FSE-based imaging with double IR and triple IR
- StarMap iron assessment for liver and heart (acquisition)
- Auto rotate display option for breast imaging

SIGNA™Works ADVANCED RECON, ACCELERATION, APPLICATIONS

SIGNA™Works innovations are designed to enable you to expand your imaging services and deliver on the most complex exams for the most challenging patients with both clinical excellence and efficiency. This offering of SIGNA™ Voyager delivers deep-learning based reconstruction and workflow, hyper-acceleration techniques, advanced diffusion techniques as well as advanced applications for MSK imaging, body imaging, cardiac imaging, vessel wall imaging and motion reduction.

- 2D and 3D AIR™ Recon DL Reconstruction
- AIRx™ Auto Graphic Prescription
- HyperWorks Acceleration
- DiffusionWorks Advanced Diffusion
- DISCO, DISCO Star and IDEAL IQ Body Imaging
- Silent Suite and oZTEo MR Bone Imaging
- CardioMaps and Advanced CVWorks Cardiac Imaging
- 3D PROMO Prospective Motion Correction
- Cube MDSE vessel wall imaging

AIR™ Recon DL
AIR™ Recon DL is a deep-learning based reconstruction algorithm applied to the raw scan data to improve SNR and image sharpness. This propriety technique improves image quality at the foundational level by removing image noise and ringing artifacts while enabling shorter scan times. With AIR™ Recon DL:

- Remove noise in images through trained deep learning algorithms
- Enhance productivity by enabling shorter scan times
- Eliminate Gibbs and truncation artifacts with intelligent ringing suppression
- Deliver sharper, clearer and accurate MR images
- Apply a tailored level of AIR™ Recon DL based on preference
- Visualize AIR™ Recon DL images directly at the MR console without reconstruction delays

This offering provides the 2D and 3D suites of AIR™ Recon DL:

- AIR™ Recon DL 2D
- AIR™ Recon DL 2D PROPELLER
- AIR™ Recon DL 2D DWI-EPI
- AIR™ Recon DL 3D

AIRx™ Auto Graphic Prescription for Brain and Knee
Change the way you prescribe brain and knee exams. AIR x™ Auto Graphic Prescription uses deep learning algorithms to identify anatomical structures and prescribe slice locations for brain and knee exams. As a result of the deep learning algorithms, AIRx™ automatically adapts slice prescriptions to various patient anatomies and structures to enable consistency and productivity for slice positioning from technologist to technologist, patient to patient and the same patient overtime.

HyperWorks Acceleration
Advance your acceleration capability. The HyperWorks toolkit comprises a new generation of acceleration tools that employ a variety of optimized approaches to accelerate imaging for a broad range of exams.

- HyperSense 2.0 compressed sensing
- HyperCube tailored RF
- HyperBand simultaneous slice excitation
- HyperMAVRIC SL accelerated spectral imaging

DiffusionWorks Advanced Diffusion
Extend diffusion capability. The Diffusion Package delivers techniques that reduce distortion, correct for motion, increase spatial resolution, and enhance performance for diffusion and diffusion tensor imaging.

- PROGRES distortion and motion correction for diffusion

- MUSE multi-shot high-resolution diffusion
- FOCUS DWI 2D slice-selective high-resolution diffusion
- MAGiC DWI diffusion-based synthetic multiple b-value imaging

DISCO, DISCO Star and IDEAL IQ
Go fast with detail. Go breath-hold free. DISCO and DISCO Star enable high-speed dynamic, multi-phase T1 imaging while also enabling high spatial resolution. DISCO enables short breath-hold imaging or free-breathing with Auto-body Navigators. DISCO Star enables free-breathing by utilizing an in-plane radial acquisition to address motion.
- DISCO high-resolution permeability imaging
- DISCO Star free-breathing permeability imaging
- LAVA Star free-breathing imaging

Assess liver triglycerides. IDEAL IQ utilizes a multi-echo 3D gradient echo technique to separate fat-water. The water and fat images then produce the fat fraction map, a relative measure of the quantity of fat to total signal (water and fat signal combined) at each voxel in the image.

SILENT Suite and oZTEo MR Bone Imaging
Address noise and motion. Silent Suite comprises the 3D SILENZ Zero-TE sequence and Silent PROPELLER. SILENZ 3D uses high bandwidth excitation and reduced gradient switching to deliver sound levels near ambient while Silent PROPELLER uses a modified gradient waveform approach to reduce acoustic levels to less than 11dB above the ambient room noise while retaining the motion insensitivity of PROPELLER.

Extend contrast capability. oZTEo MR Bone imaging utilizes the 3D SILENZ ZTE sequence to complement the conventional soft tissue exam with cortical bone surface information. Automated grayscale inversion provides positive bone contrast. The ZTE sequence can be used for 3D isotropic resolution with inherent motion insensitivity due to the radial acquisition technique. oZTEo can be used with any surface coil that is compatible with SCENIC and includes protocols for common joints such as hip, shoulder, wrist, ankle and knee.

CardioMaps and Advanced CVWorks Cardiac Imaging
Extend cardiac assessment capability. CardioMaps support detection of cardiac pathologies by quantitative measurement of T1 and T2 relaxation times. The T1 Mapping acquisition includes automatic motion correction that compensates for cardiac and/or respiratory motion, providing reliable results. T1 Mapping offers two methods of acquisition: Inversion-recovery Look-Locker with FIESTA readout (MOLLI) for apparent T1 (T1*) measurements or saturation-recovery SMART1Map for true T1 measurements.

FGRE Time Course and 3D Heart with Cine IR, 3D MDE and Cardiac Navigators add additional tools to the CVWorks toolkit for cardiac function, cardiac morphology, and tissue characterization.
- FGRE Time Course cardiac imaging
- Cine IR FGRE-based cine imaging with IR-prep pulse
- 3D Heart cardiac morphology imaging
- 3D MDE tissue characterization
- Cardiac Navigators

3D PROMO Motion Correction
Correct for motion prospectively on 3D imaging. 3D PROMO prospective motion correction uses a real-time 3D navigator-based technique to correct for motion, and is compatible with 3D Cube T2W, DIR and T2 FLAIR contrasts.

CUBE Vessel Wall Imaging
MR Vessel Wall Imaging is enabled with 3D Cube MSDE (Motion Sensitive Driven Equilibrium). The MSDE preparation pulse suppresses flowing blood signal for better vessel wall contrast and depiction of plaque, also known as black-blood imaging. The velocity suppression target (cm/s) and the applied MSDE direction is user selectable. Cube MSDE is compatible with HyperSense and ASPIR fat saturation.

AGAIN, PLEASE NOTE, the SIGNA™ Voyager system comprises several essential elements quoted and described separately. These elements include (at a minimum):
- SIGNA™ core Software and Clinical Applications Toolkits
- Host PC and Operator Console (GOC)

- Anterior Array Surface Coil

Line	Qty	Catalog		
4.	**1.00**	**S7530ZC**	**Voyager Fixed Table and Wired Gating - US**	
List Price		**Discount**	**Extended List Price**	**Net Price**
$115,000.00		**62.90%**	**$115,000.00**	**$42,661.86**

The SIGNA™ Voyager MR30 offers a fully integrated Comfort Plus patient table that includes the embedded TDI Posterior Array (previously described) to address exam efficiency as well as patient comfort. The Comfort Plus patient table can be lowered to a very low height to facilitate transfer of wheelchair patients. The cradle width has also been increased by ~30% from previous generations to enhance the ability to accommodate a broad range of patients.

• Maximum patient weight for scanning: 550 LBS
• Maximum patient weight for lift: 550 LBS
• Automated vertical and longitudinal power drive
• Fast longitudinal speed: 25 cm/sec
• Slow longitudinal speed: 1.9 cm/sec
• IntelliTouch & laser land-marking
• Laser alignment land-marking

Line	Qty	Catalog		
5.	**1.00**	**M70107AE**	**SIGNA Voyager MR31.0 Software and Tech Pubs - US**	
List Price		**Discount**	**Extended List Price**	**Net Price**
$85,000.00		**62.90%**	**$85,000.00**	**$31,532.68**

MR31 for SIGNA™ delivers the foundational operating software, pulse sequence families, clinical applications toolkits, and visualization toolkits as well as acceleration and motion correction tools. MR31 for SIGNA™ software features several new enhancements that improve Exam, Patient Setup and Scanning workflows.

MR31 for SIGNA™ is the latest platform software to bring the highest performance to SIGNA™ MR. MR31 introduces several base security, workflow and image quality enhancements, as well as enabling GE Healthcare's the latest innovations in Deep Learning Reconstruction*. Each scanner running MR31 Platform will enjoy industry-leading cybersecurity features* by upgrade to Secure Scientific Linux (SLES 15), enabling the latest features for securing the scanner against bad actors and other threats for years to come. MR31 software brings in additional workflow efficiency, including a new Window Width/Window Level feature that applies consistent levels across all images in the database; simplified setup for Automatic Phase Correction; an improved phase correction algorithm for LAVA FLEX* images and a Motion Compensation option when using Cardiac T1-Mapping applications such as FIESTA. The system will also now support a system preference to set the orientation of axial Breast images. Systems already equipped with HyperSense* will see the feature expanded to support SWAN and Contrast Enhanced MRA applications. The MR31 for SIGNA™ software release brings AIR™ Recon DL* 3D, motion-insensitive PROPELLER and a host of additional applications such as DTI, FSE Flex, CartiGram, as well as phase sensitive MDE and MoCo MOLLI T1 mapping for cardiac imaging.

(* indicated applications may be purchasable options for certain regions and systems)

The latest enhancements include several key improvements to Exam, Patient Setup and Scanning workflows:

- Split Exam create/assign separate exam number for a sub-set of series
- AIR™ Recon smart algorithm for brain, MSK, body, cardiac, PROPELLER MB and FOCUS DWI imaging
- Whole-Body automated multi-station localizer and auto pasting
- Whole-Body automated multi-station FSE-IR, 3D SPGR and DWI imaging
- SnapShot SSFSE multi-slice per breath-hold imaging
- Cube flexibility for modifying/reducing scan time
- Dynamic phase correction for FSE imaging
- Uniformity optimization for large FOV body diffusion
- Flexible ZIP allows for flexible resolution by percentage to enhance the sharpness while decreasing the scan time

EXPRESS EXAM WORKFLOW

MR31 for SIGNA™ workflow tools comprise the modality worklist, protocol libraries, workflow manager, auto-functions, inline viewing and inline processing. Together these tools are designed to help change the way you work by simplifying and accelerating the scanning process from set-up to acquisition to post-processing. With MR31, workflow can begin before the patient enters the magnet room and exams can be completed with a few mouse clicks delivering quality and consistency for all patients and from all technologists. At the same time, MR31 workflow maintains the flexibility needed to rapidly adapt and optimize exams for specific patient situations.

MR31 Workflow delivers new capabilities that speed set-ups for all exams and streamline scanning for multi-station and combination exams. With MR31 Workflow, scan set-up starts with Modality Worklist, an automated method to obtain patient, exam and protocol information from a DICOM work-list server. For sites with full DICOM connectivity, once a patient has been selected from the Modality Worklist, the In-Room Operator Console will automatically highlight the relevant exam details. The Modality Worklist enables complete control of the MR protocol prescription, but also reduces work by allowing the MR protocol to be selected and linked to the patient record in advance of the patient's arrival.

Protocol Tools enable exam automation while also giving the user complete control of protocols for prescription, saving, searching, and sharing. Protocols are organized in two libraries: GE Optimized (preloaded protocols) and Site Authored (customized and saved). Protocols can be saved based on patient demographics, anatomy, scan type, or identification number for rapid search and selection. Commonly used protocols can be flagged as favorites for quick selection from the Modality Worklist.

In addition to pre-programmed protocols, ProtoCopy enables a complete exam protocol to be shared with the click of a mouse. GE protocols provided with the system include Protocol Notes designed to guide the user through the procedure. For special applications, Protocol Notes also include video guides with step-by-step video-based demonstration and instruction. Protocol Notes can be edited by the user to reflect protocol modifications to aid communication among users.

With the patient positioned, IntelliTouch and AIR Touch™ together simplify coil selection to one touch and one click. AIR Touch™ automatically determines coil element locations based on the IntelliTouch landmark and intelligently generates the coil configuration with elements activated to optimize image quality for coverage, uniformity, and parallel imaging acceleration factor.

At the console, the MR31 WorkFlow Manager implements the selected protocol. The Workflow Manager controls location prescription, acquisition, processing, visualization, and networking, and can fully automate these steps, if requested by the user. Once the target anatomy has been prescribed, the Linking feature can be used to translate appropriate parameters to all subsequent series that have been linked, eliminating the need for further action by the user.

When selected, AutoStart will automatically initiate the localizer, coil selection, series-to-series scanning, multi-station scanning, prescription of scan plans for brain exams, as well as delivered instructions to the patient.

- Pause and Resume allows the user to pause a scan in progress (even in automated mode), to respond to a patient need, and then resume mid-scan without starting the scan over.
- For breath-hold scanning, Auto Protocol Optimization provides automated alternative choices for spatial resolution and breath-hold time based on the original protocol. Technologists are liberated from troublesome scan time and image quality adjustments by selecting from pre-calculated options determined by the system.
- Whole Body Localizer automates the acquisition and pasting of multi-station scans for planning, and Whole-Body Imaging enables automated multi-station scanning with FSE-IR, 3D SPGR and DWI diffusion contrasts.
- Once scanning and processing are complete, Split Exam provides the capability to extract a subset of series from multi-station and combination exams to create/assign a separate exam number for accession numbers in billing and PACS systems.

Inline Processing automatically completes post-processing steps for the user after the images have been reconstructed and saved into the database. For certain tasks, such as vascular segmentation, the user must accept the results, or complete additional steps prior to saving the images to the database. These automated processing steps can be saved to the (scan) protocol to ensure consistent output and workflow:

- Diffusion weighted series: automatic compute and save
- Diffusion tensor series: automatic compute and save

- eDWI: automatic compute and save
- Image filtering: automatic compute and save
- Maximum/Minimum Intensity Projection: automatic compute and save
- Pasting: automatic compute and save
- Reformat to orthogonal plane: automatic compute and save
- T2 map for cartilage: automatic compute and save
- 3D Volume Viewer: automatic load
- Image Fusion: automatic load
- Interactive Vascular Imaging: automatic load
- FiberTrak: automatic load
- Spectroscopy: automatic load

MR31 for SIGNA™ TECHNOLOGIES

The acceleration, motion correction and tissue suppression technologies in MR31 for SIGNA™ are designed to address overall workflow, rescans and scan time as well as the impact of challenging patients, challenging anatomy and challenging physiology.

Acceleration Technology

MR31 for SIGNA™ delivers a suite of acceleration techniques designed to help address acquisition time.
- Smart Algorithm AIR™ Recon uses a smart reconstruction algorithm to address background noise and artifacts enabling enhanced image quality without the need for longer scan times and is compatible with critical imaging sequences including PROPELLER MB, 3D Cube, and FSE.
- ARC parallel imaging reduces scan time by using an adaptive auto-calibrating (data-driven) technique to selectively acquire data. As a result, ARC enables smaller FOV prescription with less sensitivity to motion and coil calibration artifacts.
- ASSET parallel imaging reduces scan time using an array spatial sensitivity (image driven) technique. ASSET takes advantage of the data produced by the multiple coil elements to reduce the total data needed to create an image.
- Flexible No Phase Wrap reduces scan time by reducing the number of increments acquired to address wrap-around based on a flexible user-selectable factor.
- Fraction NEX reduces scan time by reducing the number of data averages.

Motion Correction Technology

Enable free-breathing body exams and address the effects of motion with patient-adaptive technologies that proactively detect and correct for motion without hardware dependencies or the need for user intervention.

- Auto Body Navigators deliver real-time, respiratory motion compensated imaging for a broad range of sequences, including T1w dynamic contrast-enhanced imaging. Auto Body Navigators use a software-based tracking pulse that is automatically placed for the user and allows on-the-fly adjustment to adapt to challenging patient circumstances, again without the need for hardware.
- PROPELLER MB combines radial acquisition and motion correction post-processing to mitigate the effects of motion without the need to position the patient over a sensor. PROPELLER MB can be used to generate T1, T2, PD, T1 FLAIR, and T2 FLAIR contrasts and is compatible with Auto Body Navigators to enable usage for a broad range of exams. With MR31 for SIGNA™, PROPELLER MB motion correction benefits from AIR™ Recon smart algorithm image quality.

Tissue Suppression Technology

Modify the contribution of fat or water signal with multiple tissue suppression techniques.

- FatSat uses a frequency selective pulse to target and suppress the signal from fat
- WaterSat frequency selective water suppression
- STIR inversion pulse fat or water suppression
- SPECIAL frequency selective fat suppression
- ASPIR spectrally selective fat suppression
- Flex 2-point Dixon techniques to separate fat and water signals

MR31 for SIGNA™ CLINICAL APPLICATIONS

MR31 for SIGNA™ clinical imaging tools are organized and optimized to address six clinical work areas: NeuroWorks, OrthoWorks, BodyWorks, OncoWorks, CVWorks and PaedWorks. Each clinical toolkit comprises pre-programmed protocols, clinical applications and visualization tools designed for the challenges of each imaging area. The resulting capability starts with simplified prescription and protocol set-up. Imaging capability extends to patient management and clinical workflow enhancements. Post-processing capability augments the portfolio with specialized tools designed to speed the review and processing tasks typically performed.

NeuroWorks Toolkit

- READYBrain auto-align for automated brain exam prescription
- PROPELLER MB motion robust radial-FSE with T1, PD, T2, T2 FLAIR, T1 FLAIR with STIR and ASPIR
- PROPELLER DW Duo FSE-based diffusion with susceptibility reduction
- 3D Cube 2.0 FSE-based imaging with T1, T2, T1 FLAIR, T2 FLAIR and STIR
- 3D Cube Dual Inversion Recovery for gray or white matter nulling
- 3D COSMIC modified steady state imaging
- 2D/3D MERGE T2* multi-echo fast gradient echo imaging
- 3D BRAVO IR prepared fast SPGR imaging with concentric k-space filling
- 3D MP-RAGE IR prepared fast SPGR imaging with sequential k-space filling
- 3D FLAWS provides a white matter nulled and CSF-nulled image.
- 3D MP2RAGE offers uniform T1 weighted contrast between grey-white matter.
- 3D FIESTA and 3D FIESTA-C fast steady state imaging
- PSIR – Phase Sensitive Inversion Recovery
- BrainStat GVF and AIF parametric maps
- READYView and BrainView post-processing which include time series, DWI/ADC maps, DTI, variable echo, BOLD, and spectroscopy (SV, 2D, 3D)

OrthoWorks Toolkit

- FSE and frFSE fast spin echo imaging suites with dynamic phase correction
- High Bandwidth distortion reduction for FSE
- FatSat, STIR, SPECIAL, ASPIR, Spectral Spatial fat-suppression tools
- MARS High Bandwidth distortion reduction for FSE
- PROPELLER MB motion robust radial FSE with T1, PD, T2 and Fat Suppression (STIR and ASPIR)
- 3D Cube 2.0 FSE-based imaging with T1, T2, and STIR
- 3D COSMIC modified steady state imaging
- 2D/3D MERGE T2* multi-echo fast gradient echo imaging
- 3D MENSA NERVE for optimized nerve contrast
- READYView post-processing

BodyWorks Toolkit

- Auto Navigators diaphragm tracker for free-breathing scanning
- PROPELLER MB motion robust radial FSE with T1 and Fat Suppression (STIR and ASPIR)
- 3D Cube FSE-based imaging with T1, T2, and STIR
- 3D Dual Echo gradient echo in/out phase imaging
- 3D LAVA and Turbo LAVA with Turbo ARC and SPECIAL for dynamic or single-phase imaging (breath-hold or free-breathing)
- 3D MRCP frFSE imaging
- 2D Fat Sat FIESTA fast steady state imaging
- Enhanced SSFSE Snapshot multi-slice imaging
- Whole-Body multi-station localizer and pasting
- Whole-Body multi-station FSE-IR, 3D SPGR and DWI imaging
- Multiphase DynaPlan
- SmartPrep automated bolus detection
- Fluoro Trigger real-time bolus monitoring

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OncoWorks Toolkit

- Auto Navigators diaphragm tracker for free-breathing scanning
- PROPELLER MB motion robust radial-FSE with T1, PD, T2, T2 FLAIR, T1 FLAIR with STIR and ASPIR
- PROPELLER DW Duo FSE-based diffusion imaging with susceptibility reduction
- 3D Cube 2.0 FSE-based imaging with T1, T2, T1 FLAIR, T2 FLAIR and STIR
- 3D Cube Dual Inversion Recovery for gray or while matter nulling
- 3D BRAVO IR prepared fast SPGR imaging with concentric k-space filling
- 3D MP-RAGE IR prepared fast SPGR imaging with sequential k-space filling
- Enhanced SSFSE Snapshot multi-slice imaging
- Whole-Body multi-station localizer and pasting
- Whole-Body multi-station FSE-IR, 3D SPGR and DWI imaging
- 3D LAVA and Turbo LAVA with Turbo ARC and SPECIAL for dynamic or single-phase imaging (breath-hold or free-breathing)
- Multiphase DynaPlan
- SmartPrep automated bolus detection
- Fluoro Trigger real-time bolus monitoring
- READYView, BrainView and BodyView post-processing

CVWorks Toolkit

- Auto Navigators diaphragm tracker for free-breathing scanning
- iDrive for free breathing cardiac planning
- 2D FIESTA Cine gated steady-state, multi-phase imaging
- 3D FS FIESTA steady-state imaging with Fat Sat
- 2D/3D Time-Of-Flight & 2D Gated Time-of-Flight
- 2D/3D Phase Contrast & Phase Contrast Cine
- SmartPrep automated bolus detection
- Fluoro Trigger real-time bolus monitoring
- 3D QuickStep automated multi-station imaging
- READYView post-processing

PaedWorks Toolkit

- PROPELLER MB motion robust radial-FSE with T1, PD, T2, T2 FLAIR, T1 FLAIR with STIR and ASPIR
- 3D Cube 2.0 FSE-based imaging with T1, T2, T1 FLAIR, T2 FLAIR and STIR
- 3D Cube Dual Inversion Recovery for gray or while matter nulling
- 3D COSMIC modified steady state imaging
- 2D/3D MERGE T2* multi-echo fast gradient echo imaging
- 3D BRAVO IR prepared fast SPGR imaging with concentric k-space filling
- 3D MP-RAGE IR prepared fast SPGR imaging with sequential k-space filling
- 3D FIESTA and 3D FIESTA-C fast steady state imaging
- Auto Navigators diaphragm tracker free-breathing scanning
- 3D LAVA and Turbo LAVA with Turbo ARC and SPECIAL for dynamic or single-phase imaging (breath-hold or free-breathing)
- 3D LAVA GRE 2-point Dixon fat-water separation for dynamic or single-phase imaging (breath-hold or free-breathing)
- Enhanced SSFSE Snapshot multi-slice imaging
- BrainStat GVF and AIF parametric maps
- READYView and BrainView post-processing

READYView Advanced Visualization

READYView is an MR31 advanced visualization tool designed to simplify the quantitative analyses of multiple data sets. READYView automatically selects the most relevant post-processing protocol for the user and provides guided workflow and general assistance for the processing algorithms. In addition, the user can customize workflows with adjustable layouts, personalized parameter settings and custom review steps. Key capabilities of READYView include the ability to analyze, export and save:

- Time series
- Diffusion weighted series
- Diffusion tensor series
- Variable echo series
- Blood oxygen level dependent (BOLD) series fMRI processing
- Spectroscopy data (single voxel and 2D or 3D CSI)
- MR Touch (MR elastography) series

Line	Qty	Catalog		
6.	1.00	M76028ED	SIGNA MR31.0 eDelivery item - Voyager	
List Price		**Discount**	**Extended List Price**	**Net Price**
$0.00		Incl.	$0.00	$0.00

Software eDelivery is used to associate the MRI scanner with GE HealthCare's remote software delivery infrastructure. No items are being delivered physically or electronically. (For tracking purpose only – non purchasable catalog)

Line	Qty	Catalog		
7.	1.00	M7091MX	Gen 8 DL Reconstruction Engine and DICOM Conformance - US	
List Price		**Discount**	**Extended List Price**	**Net Price**
$68,750.00		62.90%	$68,750.00	$25,504.37

Reconstruction performance today is challenged by explosive growth in data, and increased computational complexity. The amount of data to be stored and processed continues to increase with the advances in MR system technology. The SIGNA™ MR systems meets that challenge head-on with innovations in reconstruction to take full advantage of computing power and by leveraging both hardware and software technology.

SIGNA™ MR systems use enhance data reconstruction with AIR™ Recon DL* and Sonic DL™*. These applications use a smart reconstruction algorithm that reduces background noise and artifacts enhancing image quality without the need for longer scan times.

• Operating System: SUSE® Linux Enterprise Server (SLES)
• Reconstruction Engine: 2 x Intel Xeon Silver 4410Y processor (12 core)
• Total cores: 24
• Network: 1 GbE
• Memory: 192 GB
• Hard Disk Storage: 1.6TB SSD
• 2D FFT/second (256 x 256 Full FOV): 128,000 2D FFT/second
• GPU: 2 x NVIDIA RTX 4000 Ada

SIGNA™ MR systems generate MR Image, Secondary Capture, Structured Report, and Gray Scale Softcopy Presentation State DICOM objects. The DICOM networking supports both send and query retrieve as well as send with storage commit to integrate with PACS archive. Refer to the DICOM Compliance Statement for details.

Note: AIR™ Recon DL and Sonic DL™ features are optional and need to be purchased separately.

Line	Qty	Catalog		
8.	1.00	M70072HL	Host Computer GOC - HP Z4 with 8.4" IRD - US	
List Price		**Discount**	**Extended List Price**	**Net Price**
$50,000.00		62.90%	$50,000.00	$18,548.63

The SIGNA™Works AIR™ IQ Edition computing platform utilizes a parallel, multi-processor design to enable simultaneous scanning, reconstruction, filming, post-processing, archiving and networking.
The host PC operates on the Scientific Linux operating system and utilizes a single tower configuration. The computing platform also includes an LCD monitor.

SIGNA™ generates MR Image, Secondary Capture, Structured Report, and Gray Scale Softcopy Presentation State DICOM

objects. The DICOM networking supports both send and query retrieve as well as send with storage commit to integrate with PACS archive. Please refer to the DICOM Compliance Statement for details.

Line	Qty	Catalog		
9.	1.00	M70012TS	Voyager Scan Room Collector - Long	
List Price		**Discount**	**Extended List Price**	**Net Price**
$50,500.00		62.90%	$50,500.00	$18,734.12

The Long Scan Room Collector contains a collection of cables such as gradient cables and other materials necessary for system interconnections. The long configuration is designed for room configurations that require a long length based on distance between system components.

Line	Qty	Catalog		
10.	1.00	M70012RP	English Language Kit	
List Price		**Discount**	**Extended List Price**	**Net Price**
$0.00		Incl.	$0.00	$0.00

English Language Kit

Line	Qty	Catalog		
11.	1.00	R33012AC	Standard Service License	
List Price		**Discount**	**Extended List Price**	**Net Price**
$0.00		Incl.	$0.00	$0.00

The Standard Service License provides access to service tools used to perform basic level service on the Equipment and is included at no charge for the warranty period.

Line	Qty	Catalog		
12.	1.00	M7006NA	1.5T 16-channel AIR Anterior Array	
List Price		**Discount**	**Extended List Price**	**Net Price**
$121,154.00		62.90%	$121,154.00	$44,944.82

The 16-channel AIR Anterior Array (AA) is the next generation anterior array coil that allows flexibility in any direction to conform to the patient's anatomy. Based on the innovative AIR™ Coil technologies, the 1.5T 16ch AIR AA provides excellent image quality and acceleration performance, while improving the overall patient and user experience. The coil has been designed to adapt to various patient shapes and sizes, expanding positioning versatility.

Line	Qty	Catalog		
13.	1.00	S7529QT	1.5T AIR™ MP Arrays and 16CH T/R Knee	
List Price		**Discount**	**Extended List Price**	**Net Price**
$239,000.00		62.90%	$239,000.00	$88,662.47

This promotional coil package comprises:

- Large and Medium Multi-Purpose AIR™ Coils with coil positioner kit
- 16ch T/R Knee Array

The 21-channel 1.5T AIR™ MP Large and the 20-channel 1.5T AIR™ MP Medium Arrays utilize innovative AIR™ Coil technologies to expand positioning versatility, enhance patient and user experience, and deliver high performance acceleration and image quality.

These next generation multipurpose coils are designed to conform to various patient shapes and sizes and allow positioning in any direction. AIR™ MP Coil Large Array is recommended for use for Shoulder, Knee, Foot, Ankle, Hip, and Prostate imaging, and the AIR™ MP Coil Medium is recommended for Wrist, Elbow, and Cardiac Imaging.

The AIR™ MP Coil Positioner Kit provides a knee positioner, a foot-ankle positioner, a wedge pad, a U-shaped pad, and a strap

kit. The Positioner Kit is compatible with both AIR™ MP Large and Medium Coils for positioning.

The 16-channel 1.5T Knee coil is a transmit/receive phased array design optimized for high resolution imaging of the knee with parallel imaging acceleration in 3 directions to address acquisition time. The coil is sized to accommodate a broad range of patient sizes and features a two-part design to address workflow. Offset imaging is fully supported with adjustable left-right coil positioning.

Line	Qty	Catalog	
14.	**1.00**	**E8823NA**	**MRIaudio 1505 Complete system**

List Price	Discount	Extended List Price	Net Price
$12,900.00	**21.00%**	**$12,900.00**	**$10,191.00**

MRIaudio 1505 Complete music system for MRI systems is designed for comfort and allows the patient to listen to music while being scanned in an MRI. The technologist is in full control of the system headphones, microphone, sound source and volume controls. Standard 3.5 mm plug for music source allows any compatible music player, tablet or phone. In-ear headphones work with any head coil.

Package includes:

• Digital amplifier

• iPad

• Adjustable iPad stand

• 3G transducer

• In-ear headphones, 29dB noise reduction

• Over-ear headphones, 29dB noise reduction

• Slimline over-ear headphones (audio only, must be worn with earplugs)

• Disposable ear tips (300 pairs)

• Technologist's speakers

• 8 ft RCA 3.5 mm cable

• Auto-voice/MIC adapter

Compatible Systems

SIGNA Champion, SIGNA Victor, SIGNA Prime, SIGNA Hero, SIGNA Premier, SIGNA Sprint, SIGNA Architect, SIGNA Artist, SIGNA, Voyager, SIGNA Pioneer v26.1 and higher, SIGNA PET/MR, SIGNA HDxt, Discovery MR750/750w, Optima MR450/450w, SIGNA Creator v25.3 and higher, SIGNA Explorer v25.3 and higher

Line	Qty	Catalog	
15.	**1.00**	**E4504FP**	**Eaton Single Phase 700 VA Partial UPS (MR package)**

List Price	Discount	Extended List Price	Net Price
$2,372.00	**21.00%**	**$2,372.00**	**$1,873.88**

Using an uninterruptible power supply (UPS) can help improve user productivity and system reliability, as well as reduce service costs and increase system uptime.
Combining reliable double-conversion topology, internal static bypass and an easy-to-ready LCD menu display, the Eaton 9SX UPS provides the highly efficient and reliable power you expect from a 9-series UPS in a convenient tower form factor.

Applications
The Eaton® Single Phase 9SX 700 VA Partial UPS package is designed to support a variety of GE MR imaging systems. When Catalog# E4504FP is used with MR SIGNA™ Voyager, SIGNA™ Pioneer, SIGNA™ Premier, SIGNA™ Architect or SIGNA™ Hero systems, the configuration requires ordering a specific power cable (catalog# E4504FN).

Maintain productivity, improve reliability

Reliable power for critical systems
The 9SX offers the robust double-conversion, online power protection needed for medical, light industrial, automation and mission critical IT applications. With zero transfer time to battery, continuous filtering of power, and an internal, automatic static bypass, the 9SX ensures performance and compatibility.

* Maintains system’s host computer and operator’s workstation power for ~8 minutes after loss of power
* Minimizes loss of data
* Provides clean constant voltage power
* Host computer and operator’s workstation electronics unaffected by under voltage, brownouts, line sags, over voltage, transients, periodic emergency generator testing or automatic transfer switch operation
* Host computer and operator’s workstation electronics protected from utility power factor capacitor switching spikes and ring waves
* Host computer and operator’s workstation electronics protected from utility re-closer operations common during thunderstorms
* Regulates output voltage to meet and exceed system electronics requirements
* Allows time for an orderly system shutdown in the event of an extended power outage
* Reduces maintenance costs
* Helps increase system uptime
* Suitable for engine generator applications
* Suitable for mobile applications (other optional equipment may be needed)
* Installation of the UPS by GE
* 1-year warranty on parts and labor

Increased battery life
* Advanced battery management to extend battery life and provide advanced notice before batteries fail
* Batteries are hot-swappable

More control
* Automate power delivery by utilizing switchable, programmable outlets
* Programmable signal input through the RPO port also enables the UPS to change operating modes in reaction to external events

Advanced LCD interface
* Simplify UPS monitoring with Eaton’s advanced LCD display
* Easy access to UPS alarm history, energy logs, unit serial numbers and firmware versions enable first time issue resolution right at the source
* Eight user-selectable languages ensure success for global deployments

Specifications
* Power: 700 VA / 630 W
* Input connection: 5-15P, eight feet long
* Output receptacles: (5) 5-15R

* Dimensions (H x W x D, in. / mm): 9.9 x 6.3 x 13.9 / 252 x 160 x 357
* Weight (lb. / kg): 26.5 / 11.5

General
* Topology: Double-conversion, online
* Configuration: Tower
* Color: Black and silver
* Diagnostics: Full system self-test at power up, ABM battery test every 30 days
* Warranty: 1 year on electronics and battery
* Remote power off: Remote On/Off (ROO) and Remote Power Off (RPO) rear terminal blocks
* Contents: UPS, Safety guide, Quick Start Guide, Reference Guide, RS-232 serial cable, USB cable

Electrical input
* Nominal voltage: 120V default (100/110/120/125V)
* Input voltage range:Full load: 100-138V, ?25% load: 60-144V
* Frequency: 50/60 Hz
* Frequency range: 60 Hz: 50-70 Hz, 50 Hz: 40-60 Hz
* Input power factor ?.99
* Input current distortion ?8%

Electrical output
* Power rating: 700VA / 630W
* Circuit breaker: None
* Nominal voltage: 120V default (100/110/120/125V)
* Output voltage regulation, steady state: ±2% nominal mode
* Output voltage THD (online): Linear: <3%
* Power factor: 0.9
* Efficiency (online mode with resistive load): 87%
* Transfer time: 0 ms

Communications
* User interface: Graphical display. UPS status in a single view.
* LEDs: 4 status-indicating LEDs
* Communication ports: RS-232 (RJ45) ports; USB port as standard (HID). 6-foot RS-232 and USB cables included

Environment & standards
* Operating temperature: 0 to 40 °C (32 to 104 °F) in Online mode, with linear derating for altitude
* Storage temperature: 0 to 35 °C (32 to 95 °F); without batteries: -25 to 55 °C (-13 to 131 °F)
* Relative humidity: 0 to 96% non-condensing
* Altitude operating temperature range: UP to 3,000 meters (9,843 ft) above sea level, no derating for 35 °C (95 °F) room temperature
* Audible noise: < 50 dBA at 1 meter typical
* RoHS compliance: Yes
* Safety conformance: UL 1778; IEC 62040-1
* EMC: FCC Part 15 Class B; IEC 62040-2 C1 & C2
* Markings: CE; cULus; NOM
* Battery backup time: 5.8 min@ 630 W, 14 min@ 300W

Notes:
- Customer is responsible for rigging UPS unit
- Item is non-returnable and non-refundable
- Removal/disposal of the old unit is the customer's responsibility

Line	Qty	Catalog		
16.	**1.00**	**E4504FN**	**Power cable for E4504FP MR Partial UPS**	
List Price		**Discount**	**Extended List Price**	**Net Price**
$79.00		**21.00%**	**$79.00**	**$62.41**

Application
E4504FN power cable is required when ordering E4504FP MR Partial UPS package.
NOTES:
• Customer is responsible for rigging and arranging for installation with a qualified party
• ITEM IS NON-RETURNABLE AND NON-REFUNDABLE
• Removal/disposal of the old unit is the customer's responsibility.

Line	Qty	Catalog		
17.	**1.00**	**W2401MR**	**1.5T Launch Classic Training Program**	
List Price		**Discount**	**Extended List Price**	**Net Price**
$36,771.54		**Incl.**	**$36,771.54**	**$36,771.54**

This training program is designed for customers purchasing a GE HealthCare 1.5T MR system (including but not limited to SIGNA™ Artist, Voyager, Creator, Explorer, Prime, Champion, and Victor).

GE HealthCare will work with the designated Customer contact to agree upon a reasonable training schedule for a pre-defined group of core technologists that will leverage blended content delivery and may include a combination of onsite days and virtual offerings. The training will include Virtual Tools and remote connectivity. This blended curriculum with multiple delivery platforms promotes learner retention and allows for an efficient and effective skill development.

This program contains 96 Credits. A customized training program blending onsite and virtual training will be developed in partnership with your Applications Specialist.

· Onsite training – each onsite day of training utilizes 8 credits per instructor (8-hour day)

· Virtual training – each hour of virtual training utilizes 1 credit per instructor

· Virtual instructor-led training: Instructor leads a virtual training session one-on-one or in a group, typically in 2-4 hour scheduled blocks

· Answerline Support-Access to GE HealthCare experts for clinical, non-emergency applications assistance via phone or by using the iLinq button on the imaging console

· In addition to the credits available with this offering, the customer has access to the complimentary, no-cost online educational content available for all customers, both CE and non-CE.

Classroom-Based training (if applicable) – each seat in a classroom-based training (in person or virtual) utilizes 16 credits per student (ala carte offerings are available).
Training will be delivered at a mutually agreed upon time between the customer and GE Healthcare (excluding GE Healthcare holidays and weekends) and is subject to availability during normal business hours (8am-5pm). This training program has a term of twelve (12) months commencing on Acceptance, where all training (onsite and/or virtual) must be scheduled and completed within twelve (12) months of Acceptance. Additional credits may be available for purchase separately.

All GE HealthCare “Training” terms and conditions apply. Given the unique nature of this program, if this program is purchased as part of a purchase under a Governing Agreement, including any Master Purchase Agreement, Group Purchasing Organization Agreement, or Strategic Alliance Agreement, this program shall take precedence over any conflicting training deliverables set forth therein.

Line	Qty	Catalog		
18.	**1.00**	**NI_MR_CONSTRUCTION**	Signa Voyager 1.5T MR mobile coach- AMST	
List Price		**Discount**	**Extended List Price**	**Net Price**
$0.00		**Incl.**	**$0.00**	**$694,668.00**

Total Equipment Price	***$2,019,306.21***
Total Quote List Price:	***$4,185,694.54***
Total Quote Discount:	***51.76%***
Total Quote Subtotal:	***$2,019,306.21***

Total Quote Net Selling Price ***$2,019,306.21***

ENSURE REQUISITION/PURCHASE ORDER IS ISSUED TO:
GE PRECISION HEALTHCARE
TAX ID (83-0849145)

If applicable, for more information on this devices' operating system, please visit GE HealthCare's product security portal at: https://securityupdate.gehealthcare.com/en/products

Governing Agreement Reference Information

Customer:	Kern Medical
Contract Name:	HealthTrust Diagnostic Imaging
Billing Terms:	80% on Delivery / 20% on Acceptance
Payment Terms:	NET 30
Shipping Terms	FOB DESTINATION

Offer subject to the Terms and Conditions of the applicable Governing Agreement currently in effect between GE HealthCare and HealthTrust Purchasing Group.

The following list identifies the Diagnostic Imaging agreements currently in effect between GE HealthCare and HealthTrust Purchasing Group ("HPG"). The Governing Agreement applicable to this GE HealthCare Quotation is that from the list below which, by its terms, covers the type of Diagnostic Imaging product and services being purchased. This GE HealthCare Quotation and use of the products and services described herein is governed by the Terms and Conditions of the Governing Agreement (in the event of a conflict, the Governing Agreement shall prevail, as per the Governing Agreement).

HPG Contract Number	Effective Date	Segment
HPG-66705	June 1, 2012	Diagnostic Imaging - CT
HPG-66706	June 1, 2012	Diagnostic Imaging - MRI
HPG-66707	June 1, 2012	Diagnostic Imaging - PET
HPG-73600	June 1, 2012	Diagnostic Imaging - Mammography
HPG-73602	June 1, 2012	Diagnostic Imaging - Nuclear Medicine
HPG-79844	June 1, 2012	Diagnostic Imaging - Interventional and Angiography
HPG-79854	June 1, 2012	Diagnostic Imaging - Radiographic (X-Ray) and Flouroscopic (R&F)
HPG-70089	April 1, 2021	Patient Monitoring, Cath and EP Labs

If applicable, for more information on this devices' operating system, please visit GE HealthCare's product security portal at: https://securityupdate.gehealthcare.com/en/products

This product offering is made per the terms and conditions of HeathTrust/GE HealthCare GPO Agreements as follows:

Imaging: PET:66707, CT:66705, MR:66706, Nuclear Medicine:73602, Mammography:73600, Bone Densitometry:500174, Hemo (MacLab/Altix):70089, Imaging (XR/XV/other):500043

HealthTrust Purchasing Group

Purchasing Agreement

Vender: GE Healthcare

Vendor's Warranty Statements

1. Warranted Products. These warranties cover the purchase and use of the following GE Healthcare products:

Magnetic Resonance

Computed Tomography

Mammography

Positron Emission Tomography (including scanners, cyclotrons & chemistry labs)

Nuclear

X-ray

Surgical Navigation Systems

Cardiology

Ultrasound

Bone Mineral Densitometry
Physiological Monitoring

Small Animal Imaging

C-Arms

Advantage Workstation and Server

Anesthesia Delivery

Respiratory Care

Gold Seal

Phototherapy and other infant care accessories

Microenvironments, including Giraffe®, Care Plus®, Ohio® Infant Warmer Systems and Panda™ Baby Warmers

2. GE Healthcare Warranties.

2.1. Scope. This warranty statement incorporates GE Healthcare's General Terms and Conditions and GE Healthcare's Product Terms and Conditions. GE Healthcare warrants that its services will be performed by trained individuals in a professional, workman-like manner. GE Healthcare will promptly re-perform any non-conforming services for no charge as long as Customer provides reasonably prompt written notice to GE Healthcare. The foregoing service remedy, together with any remedy provided herein, are Customer's sole and exclusive remedies (and GE Healthcare's sole and exclusive liability) for warranty claims. These exclusive remedies shall not have failed of their essential purpose (as that term is used in the Uniform Commercial Code) as long as GE Healthcare remains willing to repair or replace defective warranted products or re-perform any non-conforming services for no charge, as applicable, within a commercially reasonable time after being notified of Customer's warranty claim. NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUIET ENJOYMENT, SYSTEM INTEGRATION AND DATA ACCURACY, WILL APPLY.

2.2. Term Usage. "Warranted Product" is a collective term which includes both the above-listed manufactured equipment and licensed software, with the exception of Healthcare IT Products, purchased by and/or licensed to (as applicable) Customer under the relevant GE Healthcare Quotation. Where an item of equipment has software code embedded in it, the code will only be considered licensed software under this warranty statement if the applicable GE Healthcare Quotation provides a separate part number for that software.

2.3. Equipment Warranty. Except as indicated otherwise below, GE Healthcare warrants the equipment will be free from defects in title and that for 1 year from the Warranty Commencement Date (as defined below) (i) the equipment will be free from defects in material and workmanship under normal use and service and (ii) except for equipment manufactured in compliance with Customer's designs or specifications, the equipment will perform substantially in accordance with GE Healthcare's written technical specifications for the equipment (as such specifications exist on the date the equipment is shipped) (the "Specifications"). This warranty covers both parts and labor and is available only to end-users that purchase the equipment from GE Healthcare or its authorized distributors. Customers purchasing through an authorized distributor must contact GE Healthcare promptly following such purchase to enable this warranty.

2.4. Software Warranty. Except as indicated otherwise below, GE Healthcare warrants for 90 days from the Warranty Commencement Date that (i) the licensed software will perform substantially in accordance with the applicable Documentation (as defined herein), (ii) it has not inserted any Disabling Code (as defined herein) into the licensed software and (iii) it will use reasonable commercial efforts consistent with industry standards to scan for and remove any software viruses before installation of the applicable Warranted Product. Except as indicated otherwise below, GE Healthcare warrants that it has the right to license or sublicense the licensed software to Customer for the purposes and subject to the terms and conditions set forth in GE Healthcare's General Terms and Conditions. As used in this warranty statement, (i) "Disabling Code" means computer code that is designed to delete, interfere with, or disable the normal operation of the Warranted Product; provided, however, that code included in the licensed software that prevents use outside of the license scope purchased for the software will not be deemed to be Disabling Code and (ii) "Documentation" means the GE Healthcare user manuals, on-line help functions, technical specifications and user instructions regarding the operation, installation and use of the software as made available by GE Healthcare to Customer.

2.5. Pre-owned Equipment. GE Healthcare's Gold Seal Preferred Products (certain pre-owned GE Healthcare equipment) and GE Healthcare's certified pre-owned Bone Mineral Densitometry Products are provided with GE Healthcare's standard warranties carrying the same duration as the new equipment warranty, but in no event exceeding 1 year (unless otherwise provided in writing by GE Healthcare). Except as expressly provided in this paragraph or in the applicable GE Healthcare Quotation, used and/or pre-owned equipment is not warranted by GE Healthcare.

2.6. Healthcare IT and X-Ray Tubes. GE Healthcare X-ray and Image Intensifier Tubes, Maxiray X-ray Tubes and GE Healthcare IT Products are covered by a separate warranty statement provided in an applicable GE Healthcare Quotation.

2.7. Third-Party Software and Equipment. This warranty statement does not cover Third-Party Software and Equipment (as defined herein) delivered with the Warranted Products (commonly identified by NL or NW series numbers in GE Healthcare's Quotation). "Third-Party Software and Equipment" means any non-GE Healthcare software or equipment (i) delivered to Customer in the third-party manufacturer/supplier's packaging and with its labeling or (ii) for which GE Healthcare expressly indicates (either in the GE Healthcare Quotation or in the product documentation) that the software or equipment is provided with the third-party manufacturer/supplier's warranty in lieu of a GE Healthcare warranty. Such products are covered by the third-party manufacturer/supplier's warranties, to the extent available. Anesthesia monitor mounting solutions Third-Party Software and Equipment purchased directly from GE Healthcare will not be treated as Third-Party Software or Equipment.

3. Warranty Commencement. Unless expressly provided otherwise in this warranty statement or the applicable GE Healthcare Quotation, the warranty period begins (the "Warranty Commencement Date") on the earlier of: (i) if GE Healthcare installs the Warranted Product, 5 days after GE Healthcare notifies Customer that it has completed assembly and the Warranted Product is operating substantially in accordance with GE Healthcare's Specifications; (ii) if GE Healthcare does not install the Warranted Product, 5 days after delivery of the Warranted Product to Customer; (iii) the date Customer first uses the Warranted Product for patient use; or (iv) if GE Healthcare is contractually required to install the Warranted Product, the 30th day following shipment to the end-user Customer if installation is delayed for reasons beyond GE Healthcare's reasonable control. The warranty period for any Warranted Product or component furnished to correct a warranty failure will be the unexpired term of the warranty applicable to the repaired or replaced Warranted Product. The warranty period for Vital Signs, Inc. Products begins on the date such products are shipped to Customer.

4. Remedies. If Customer promptly notifies GE Healthcare of Customer's warranty claim during the warranty period and makes the Warranted Product available for service, GE Healthcare will, at its option (i) with respect to equipment, either repair, adjust or replace (with new or exchange replacement parts) the non-conforming Warranted Product or components of the Warranted Product and (ii) with respect to GE Healthcare's licensed software, either correct the non-conformity or replace the applicable licensed software. Warranty service will be performed without charge from 8:00 a.m. to 5:00 p.m. (local site time), Monday-Friday, excluding GE Healthcare holidays, and outside those hours at GE Healthcare's then prevailing service rates and subject to the availability of personnel. For certain Warranted Products, GE Healthcare will perform warranty service only at an authorized service center or, in some instances, via a secure, remote connection to a GE Healthcare online center. With respect to GE Healthcare's warranty for the services it provides to Customer, Customer's exclusive remedy is set forth in Section 2.1 above.

Section 1. Warranty claims for the Warranted Products should be directed through GE CARES at 1-800-437-1171. Warranty claims for accessories and supplies items should be directed through 1-800-558-5102.

1. Limitations. GE Healthcare shall not have any obligation to Customer hereunder if the warranty claim results from or arises out of: (i) the use of the Warranted Product in combination with any software, tools, hardware, equipment, supplies, accessories or any other materials or services not furnished by GE Healthcare or recommended in writing by GE Healthcare; (ii) the use of the Warranted Product in a manner or environment, or for any purpose, for which GE Healthcare did not design or license it, or in violation of GE Healthcare's recommendations or instructions on use; or (iii) any alteration, modification or enhancement of the Warranted Product by Customer or any third party not authorized or approved in writing by GE Healthcare. In addition, this warranty does not cover the Warranted Product to the extent it is used in any country other than the country to which GE Healthcare ships the Warranted Product (unless GE Healthcare expressly agrees otherwise in writing). GE Healthcare does not guarantee that licensed software will operate without error or interruption.

In addition, these warranties do not cover: (i) any defect or deficiency (including failure to conform to Specifications and/or Documentation, as applicable) that results, in whole or in part, from any improper storage or handling, failure to maintain the Warranted Products in the manner described in any applicable instructions or specifications, inadequate back-up or virus protection or any cause external to the Warranted Products or beyond GE Healthcare's reasonable control, including, but not limited to, power failure and failure to keep Customer's site clean and free of dust, sand and other particles or debris; (ii) the payment or reimbursement of any facility costs arising from repair or replacement of the Warranted Products or parts; (iii) any adjustment, such as alignment, calibration, or other normal preventative maintenance required of Customer; (iv) expendable supply items; (v) stockpiling of replacement parts; (vi) any failure of the Warranted Products to use or correctly process dates; and (vii) products not listed in GE Healthcare's Accessories and/or Supplies catalogs at the time of sale, and all service manuals are provided AS IS. For network and antenna installations not provided by GE Healthcare or its authorized agent(s), network and antenna system troubleshooting will be billable at GE Healthcare's standard service rates.

For MR systems, these warranties do not cover (i) any defect or deficiency that results, in whole or in part, from failure of any water chiller system supplied by Customer, (ii) service to any water chiller systems supplied by Customer and (iii) for MR systems with LHe/LN or shield cooler configured superconducting magnets (except for MR Systems with LCC magnets), any cryogen supply, cryogenic service or service to the magnet, cryostat, coldhead, shield cooler compressor or superconductive or resistive shim coils unless the need for such supply or service is caused by a defect in material or workmanship covered by these warranties (GE Healthcare's MR Magnet Maintenance and Cryogen Service Agreement is available to provide supplemental coverage during the warranty period). For Proteus XR/a, Definium and Precision 500D x-ray systems, these warranties do not cover collimator bulbs.

2. Exceptions to GE Healthcare Standard Warranties Described Above.

CT Partial System Equipment Upgrades*: Six (6) months
MR Partial System Equipment Upgrades*: Six (6) months
X-ray Partial System Equipment Upgrades*; High Voltage Rectifiers and TV Camera Pick-Up Tubes: Six (6) months

PET Partial System Equipment Upgrades* (Scanners, Cyclotrons and Chemistry Labs): Six (6) months
Nuclear Partial System Equipment Upgrades*: Six (6) months
GE OEC New or Exchange Service/Maintenance Parts: Ninety (90) days
HealthNet Lan, Advantage Review — Remote Products: Ninety (90) days
GE Ultrasound Exchange Probes and Transducers, Ultrasound Water Path attachment Kit: Ninety (90) days
GE Ultrasound Service Replacement Parts: Thirty (30) days
LOGIQBook and Other Handheld/Compact Ultrasound Products: Standard warranty includes (i) repair services at GE Healthcare service facilities, (ii) three (3) business day turnaround repair time for systems shipped via overnight delivery (where available), measured from the date of shipment (GE Healthcare is not responsible for delays in overnight shipment), (iii) seventy-two (72) hour loaner systems or probe replacement service via Fed Ex (shipping charges included), (iv) technical support via telephone from 7:00 am to 7:00 pm Central Time, Monday-Friday, excluding GE Healthcare holidays, (iv) field support/service is available for an additional charge and (v) preventative maintenance for an additional charge. For an additional charge, GE Healthcare will also provide the following enhanced warranty features as part of the system warranty: coverage for system damage due to accidental dropping or mishandling, with a maximum of two (2) replacement systems during the term of the warranty.
Ultrasound Partial System Equipment Upgrades*: Ninety (90) days (Customer will not be credited the value of this warranty against pre-existing warranties or service agreements).
Dash, Solar 8000M, 8000i & Tram: Additional two (2) years of parts only coverage, excluding displays (United States only)
DINAMAP ProCare Vital Signs Monitors: Two (2) years
DINAMAP Pro 100-400V2 Series Monitors: Three (3) years
Enterprise Access: One (1) year parts, ninety (90) days labor
MAC 1600: Three (3) years
MAC 1200: Three (3) years (United States only)
Batteries: Ninety (90) days, except (i) for LOGIQBook batteries, which are warranted for twelve (12) months and (ii) for Nickel cadmium or lead acid batteries for X-ray and mammography systems (which will carry a sixty (60)-month warranty prorated as shown below). For Nickel cadmium or lead acid batteries for X-ray and mammography systems, warranty service will be performed without charge from 8:00 a.m. to 5:00 p.m. (local site time), Monday-Friday, excluding GE Healthcare holidays, and outside those hours at GE Healthcare's then prevailing service rates and subject to the availability of personnel only during the first twelve (12) months of the sixty (60)-month warranty period. For X-ray and mammography systems, if nickel cadmium or lead acid batteries need replacement during their applicable warranty period, Customer will pay the price of the replacement battery in effect on its delivery date less a Pro Rata Credit Allowance (as defined herein). The Pro Rata Credit Allowance for batteries that fail less than twelve (12) months after the warranty begins is one hundred percent (100%). The Pro Rata Credit Allowance for batteries that fail more than twelve (12) months after the warranty begins is:

1 - (# of Mos. After Warranty Commencement /60) x 100%

For the purpose of Pro Rata Credit Allowance, a fraction of a month less than fifteen (15) days will be disregarded, and a fraction of a month equal to or greater than fifteen (15) days will be regarded as a full month.
Care Plus® Incubator: Three (3) years parts, one (1) year labor
Ohio® Infant Warmer Systems and Panda™ Warmers: Lifetime parts warranty on heater cal rod
BiliBlanket® Plus High Output Phototherapy System: Two (2) years on Light Box and eighteen (18) months on Fiberoptic Pad
Microenvironment and Phototherapy expendable components, this includes but is not limited to patient probes, probe covers and light bulbs: thirty (30) days
GE OEC refurbished c-arms: six (6) months after installation
Oximeters: three (3) years from installation, or thirty-nine (39) months from GE Healthcare invoice, whichever occurs sooner
Tec 7 Vaporizers: Three (3) years
Tec 6 Plus Vaporizers: Two (2) years
X-ray and Image Intensifier Tubes and Maxiray X-ray Tubes: See GE Healthcare Warranty Statement X-Ray an Image Intensifier Tubes
Accessories and Supplies: GE Healthcare's catalog and/or website includes a "Service/Warranty Code" which identifies the installation, warranty, applications and post-warranty service, if any, provided for each accessory and supply product. Following are the warranty periods for accessories and supplies:

1.1. Service/Warranty Code T	100 Years
Service/Warranty Code V	25 Years
Service/Warranty Codes X	15 Years
Service/Warranty Codes F	3 Years
1.2. Service/Warranty Codes D, J, N, O, R or Z	2 Years
Service/Warranty Codes A, B, C, E, G, L, P, Q, S or Y	1 Year
1.3. Service/Warranty Code H	6 Months
Service/Warranty Code K and all Vital Signs, Inc. products	3 Months
Service/Warranty Code M	1 Month
Service/Warranty Code W	Out of Box Failure Only

Section 2. * NOTE: For partial system equipment upgrades, the warranty applies only to the upgraded components

Warranty Statement for X-Ray and Image Intensifier Tubes (U.S. and Canada)

1. Warranty Scope. These warranties cover each GE Healthcare X-ray or image intensifier tube ("Tube") listed in the GE Healthcare Quotation. This warranty statement incorporates GE Healthcare's General Terms and Conditions and GE Healthcare's Product Terms and Conditions.

GE Healthcare warrants that, starting with the Warranty Commencement Date and for the Warranty Period (as defined below): (i) the Tube will be free from defects in title, material and workmanship under normal use and service and (ii) except for Tubes manufactured in compliance with Customer's designs or specifications, the Tube will perform substantially in accordance with GE Healthcare's written technical specifications for the Tube (as such specifications exist on the date the Tube is shipped) ("Tube Specifications"). This warranty statement defines GE Healthcare's warranty obligations for both parts and labor and is available only to end-users that purchase Tubes from GE Healthcare or its authorized distributors. The Warranty Period for all warranties, except the warranty of title and the Patent and Copyright Warranty, is limited in time as shown below.

2. Warranty Commencement Date and Warranty Periods. The Warranty Period start date ("Warranty Commencement Date") for Tubes supplied as part of a new system installation will be the system installation date. The Warranty Commencement Date for replacement Tubes is determined by (i) the date GE Healthcare installs the Tube or (ii) if the date of installation is unknown, then the date of GE Healthcare's invoice to Customer or GE Healthcare's authorized distributor, as applicable, and in all cases not later than six (6) months following shipment of the Tube by GE Healthcare. The Warranty Periods are determined as follows:

- Customer Receives A New Tube As Part Of A New System Installation: For Tubes furnished to Customer as part of a new system installation, the Warranty Period for the replacement Tube will be the full term of the warranty, as shown in the chart below.
- Customer Pays A Portion Of The Cost For The New Tube (Pro Rata Calculation Table Applies): For Tubes purchased by Customer with A PRO-RATA ALLOWANCE, the Warranty Period for the new Tube will be the full term of the warranty, as shown in the chart below.
- Customer Pays The Entire Cost For The New Tube: For Tubes purchased by Customer with NO PRO-RATA ALLOWANCE, the Warranty Period for the new Tube will be the full term of the warranty, as shown in the chart below.
- GE Healthcare Pays The Entire Cost For The New Tube: For Tubes furnished to Customer under terms of the FULL WARRANTY PERIOD, as described in the chart, the Warranty Period for the new Tube will be the unexpired term of the warranty applicable to the last Tube for which Customer paid all or a portion of the cost of that Tube. (Note that the Warranty Period is not "reset" for Tubes supplied when GE Healthcare pays the entire cost for the replacement Tube.)
- GE Healthcare Supplied Tubes Under A GE Healthcare Tube Contract: For Tubes furnished to Customer under terms of a GE Healthcare Tube contract, refer to the Tube contract terms for discussion of any warranty provisions for the Tube. (Note that in general, at Tube contract termination, GE Healthcare provides no warranty of any kind on the Tube(s) remaining in the system.)

3. Remedies

1.1. General Remedies Terms. If, within 10 days after Tube failure, Customer notifies GE Healthcare of Customer's warranty claim during the Warranty Period, provides GE Healthcare with the information shown below, and makes the Tube available for service, GE Healthcare will, at its option, either repair, adjust or replace (with new or exchange replacement parts) the non-conforming Tube or parts of the Tube. Customer must provide GE Healthcare in writing (i) GE Healthcare's serial number of the Tube, (ii) the location and GE Healthcare's serial number of the system on which the Tube was installed, (iii) the date the Tube failed, (iv) the date the Tube was removed from service, and (v) the exposure counter reading when the Tube was removed. Warranty service will be performed as detailed below (with some types of service for a charge and other types of service on a no charge basis, as listed below) during GE Healthcare's standard service coverage hours of 8:00 a.m. to 5:00 p.m. (local site time), Monday-Friday, excluding GE Healthcare holidays ("Standard Coverage Hours"), and outside of Standard Coverage Hours at GE Healthcare's then-prevailing service rates (except as otherwise stated herein) and subject to the availability of personnel.

Customer must: (i) use the Tube in accordance with GE Healthcare service instructions and recommendations for the Tube and the system on which it is installed (including warm up and calibration procedures); (ii) perform preventive and corrective maintenance of the Tube utilizing maintenance procedures in accordance with GE Healthcare service instructions and recommendations and using GE Healthcare replacement parts or replacements parts of equivalent quality; and (iii) keep and make available to GE Healthcare, upon request records documenting the above maintenance.

Customer's failure to (i) properly use the Tube, (ii) perform the maintenance described above, (iii) maintain the information required above, (iv) provide the above information or any other information required by this warranty within the designated time periods, or (v) permit GE Healthcare, to verify such information during GE Healthcare's normal working hours will invalidate this warranty.

1.2. Determining Tube Charge For Replacement Tubes. Customer will pay the price of the replacement Tube in effect on its delivery date less the applicable Pro Rata Warranty Allowance (if applicable) described in the table that follows. For the purpose of the Pro Rata Warranty Allowance, a fraction of a month less than 15 days will be disregarded, and a fraction of a month equal to or greater than 15 days will be regarded as a full month.

1.3. Non-CT Tubes (Radiographic, Radiographic & Fluoroscopic, Vascular, and Mammographic). For Non-CT Tubes, warranty service does not include installation of the replacement Tube in Customer's system, but upon Customer's request, GE Healthcare, will install the Tube at GE Healthcare's then-prevailing service rates. If a replacement Tube is not installed by GE Healthcare, Customer must, not later than 10 days after its installation date, provide GE Healthcare, in writing (i) GE Healthcare's serial number of the replacement Tube, (ii) the location and GE Healthcare's serial number of the system on which the replacement Tube has been installed, (iii) the date of installation, and (iv) the exposure counter reading on the installation date.

1.4. CT Tubes Replaced During Full Warranty Period.

1.4.1. Determining Labor Charges For Tubes Replaced During Full Warranty Period. No service charges for the installation of the replacement Tube will be billed to Customer for CT Tubes replaced during the Full Warranty Period when those Tubes are replaced during Standard Coverage Hours.

1.4.2. GE Healthcare Pays The Entire Cost For The CT Tube. For CT Tubes furnished to Customer under terms of the FULL WARRANTY PERIOD as described in the chart, there is no charge to Customer for GE Healthcare installation costs for installation during Standard Coverage Hours. For services performed outside the Standard Coverage Hours, the service will be provided at GE Healthcare's prevailing service rates at the time of service, less a credit for the comparable service had it been rendered during the Standard Coverage Hours, so that Customer will pay the net difference. No refund or payment will be issued to Customer or other parties who choose to utilize either in-house or third party service providers for installation of the replacement Tube.

1.5. CT Tubes Replaced During Pro Rata Warranty Period.

1.5.1. Determining Labor Charges For CT Tubes Replaced During Pro Rata Warranty Period: Customer will pay GE Healthcare a service charge for the installation of the replacement CT Tube in effect on the date the service is rendered, less the applicable Pro Rata Labor Allowance. (Note that the Pro Rata Labor Allowance may be applied only to charges by GE Healthcare for GE Healthcare supplied labor.) No refund or payment will be issued to Customer or other parties who choose to utilize either in-house or third party service providers for installation of the replacement Tube. GE Healthcare will make a credit allowance at the billing rate for services performed for installation during Standard Coverage Hours. For services performed outside of Standard Coverage Hours, the service will be performed at GE Healthcare's prevailing service rates at the time of service, less a credit for the comparable service had it been rendered during Standard Coverage Hours, so that Customer will pay the net difference.

1.5.2. Customer Pays A Portion Of The Cost For The Replacement Tube: For Tubes furnished to Customer with A PRO-RATA WARRANTY ALLOWANCE to correct the warranty failure, the labor allowance multiplier will be calculated at the same pro-rata rate as is applicable to the part that is being replaced or repaired. That allowance will be applied to the prevailing service rates at time of servicse. Customer will pay the service charge less the Pro-Rata Labor Allowance amount.

2. Limitations. GE Healthcare shall not have any obligation to Customer hereunder if the warranty claim results from or arises out of: (i) the use of the Tube in combination with any hardware, equipment, supplies, accessories or any other materials or services not furnished by GE Healthcare or recommended in writing by GE Healthcare; (ii) the use of the Tube in a manner or environment, or for any purpose, for which GE Healthcare did not design or manufacture it, or in violation of GE Healthcare's recommendations or instructions on use; or (iii) any alteration, modification or enhancement of the Tube by Customer or any third party not authorized or approved in writing by GE Healthcare. In addition, this warranty does not cover the Tube to the extent it is used in any country other than the country to which GE Healthcare ships the Tube (unless GE Healthcare expressly agrees otherwise in writing). In addition, these warranties do not cover: (i) any defect or deficiency (including failure to conform to Tube Specifications that results, in whole or in part, from any improper storage or handling, failure to maintain the Tubes in the manner described in any applicable instructions or specifications or any cause external to the Tubes or beyond GE Healthcare's reasonable control, including, but not limited to, power failure and failure to keep Customer's site clean and free of dust, sand and other particles or debris; (ii) any adjustment, such as alignment, calibration, or other normal preventative maintenance required of Customer; (iii) expendable supply items; and (iv) stockpiling of replacement parts.

3. Warranty Periods

TUBE TYPE OR SYSTEM DESCRIPTION (a)	FULL WARRANTY PERIOD (b)	PRO RATA WARRANTY PERIOD (c)
Radiographic	30 days	24 months
Radiographic & Fluoroscopic	30 days	24 months
Vascular	30 days	24 months
Mammographic	30 days (d)	12 months
MX150 Vascular	36 months	N/A
Performix 160A (MX160)	36 months	N/A
MX120 Fluoroscopic	30 days	18 months
CT Max	4,000 slices	40,000 slices or 12 months
CT 8800/9000 Metal	4,000 slices	40,000 slices or 12 months
CT 8800/9000 Graphite	4,000 slices	40,000 slices or 12 months
GE CGR Graphite	4,000 slices	40,000 slices or 12 months
GE Technicare CT	4,000 slices	40,000 slices or 12 months
CT Pace/Sytec 2000-4000	5,000 slices	80,000 slices or 12 months
CT SRi/Synergy	6,000 slices	80,000 slices or 12 months
CT 9800 Graphite	5,000 slices	80,000 slices or 12 months
HiLight Advantage	5,000 slices	80,000 slices or 12 months
Pegasus on CT/e	5,000 slices	50,000 slices or 12 months
Pegasus on CT/e Dual	30 days	50,000 slices or 12 months
ProSpeed/Sytec 6000-8000	9,000 slices	110,000 slices or 12 months
HiSpeed Advantage on HiSpeed Advantage and CT/I	9,000 slices	140,000 slices or 12 months
Solarix on LX/I, FX/I, DX/I	10,000 slices	100,000 slices or 12 months

TUBE TYPE OR SYSTEM DESCRIPTION (a)	FULL WARRANTY PERIOD (b)	PRO RATA WARRANTY PERIOD (c)
Solarix 630 on HiSpeed ZX/I	10,000 slices	100,000 slices or 12 months
Solarix 630 on NX/I Pro	30 days	12 months or 15,000 amp-seconds
Performix-ADV on CT/I	6 months or 100,000 slices, whichever occurs first	N/A
Performix-ADV QX/i	6 months or 30,000 amp-seconds, whichever occurs first	N/A
Performix Ultra on LightSpeed 16, LightSpeed Ultra, LightSpeed Plus, LightSpeed QX/I, HiSpeed QX/I, Discovery LS, Discovery ST	12 months or 70,000 amp-seconds, whichever occurs first	N/A
Performix Ultra on BrightSpeed 16 (Elite), BrightSpeed 8 (Edge), BrightSpeed 4 (Excel)	12 months or 6,000 patient exams, whichever occurs first	N/A
Performix Pro80 (D3634T) on LightSpeed Pro 16, LightSpeed RT	12 months or 70,000 amp-seconds, whichever occurs first	N/A
Performix Pro VCT100 (D3194T) on LightSpeed Pro16	12 months or 70,000 amp-seconds, whichever occurs first	N/A
Performix Pro VCT100 (D3194T) on LightSpeed VCT, LightSpeed VCT Select, LightSpeed RT16, LightSpeed Xtra, Discovery VCT	12 months or 6,000 patient exams, whichever occurs first	N/A
Image Intensifier	30 days	24 months

COMMENTS

(a) For actual catalog numbers, please contact your local GE Healthcare representative.
(b) Initial period of time or amount of use after warranty begins during which a full 100% warranty is provided for a Tube that fails.
(c) Maximum period of time or amount of use during which a Pro Rata Warranty Allowance is provided for a Tube that fails. The Pro Rata Warranty Allowance and the Pro Rata Labor Allowance are calculated as follows:

$$1 - \frac{\text{Number of months between date of warranty commencement and date of failure}}{\text{Complete Warranty Time Period}} \times 100$$

OR

$$1 - \frac{\text{Slices Taken or Amp-Seconds}}{\text{Complete Pro Rata Warranty Slice or Amp-Second Amount}} \times 100$$

The Pro Rata Warranty period ends at the expiration of the maximum time period or the maximum usage amount identified in column (c) above, whichever occurs first.

(d) Mammography tubes included with new systems have a full 12 month, non-prorated warranty. Mammography replacement tubes carry a 30 day full warranty/12 month prorated warranty.

Service / Warranty Codes. If Customer promptly notifies GE Healthcare of its warranty claim and makes the Product available for service, GE Healthcare will provide the warranty service indicated in the applicable Service/Warranty Code description. The terms and conditions of GE Healthcare's Warranty Statement(s) apply to all warranty claims. Basic Service Premise for Products – GE Healthcare Field Engineers will take the first call for service and either provide direct support or arrange for support from the manufacturer or its dealers as indicated by the individual Service/Warranty Code. If the Service/Warranty Code calls for Product return for repair or in-warranty exchange, Customer must return the Product as GE Healthcare directs. GE Healthcare provides warranty service from 8:00 AM to 5:00 PM local time Monday-Friday EXCLUDING GE HEALTHCARE HOLIDAYS. If a Service/Warranty Code provides for warranty service to be performed on Customer's site, such service is available outside the above hours at GE Healthcare's prevailing service rates and subject to the availability of personnel.

A GE Healthcare directly, or through a sub-contractor, provides the following:
Installation; parts; on-site warranty service to repair, adjust or replace (at GE Healthcare's option and using new or exchange replacement parts) non-conforming products or parts; applications training in some cases (with additional charge); and post-warranty service, at prevailing hourly billed service ("HBS") rates and, in some cases, under GE Healthcare service contracts.

B GE Healthcare directly provides the following through GE Healthcare's Global Parts Operation (GPO):
New or exchange replacement parts at no charge to correct non-conforming products or parts during the warranty period; new or exchange replacement parts at GE Healthcare's normal prices for post-warranty repairs. ***Note:*** *Installation, applications training and on-site service is the Customer's responsibility. However, GE Healthcare's Field Engineers may be available at prevailing HBS rates. Contact GE CARES for availability.*

C GE Healthcare arranges for the third-party Product Manufacturer or its dealers to provide the following:
Installation (in some cases with an additional charge); parts; on-site warranty service to repair, adjust, or replace (at the manufacturer's or dealer's option and using new or exchange replacement parts) non-conforming products or parts; applications training in some cases (some with additional charge); and post-warranty service at prevailing service rates.

D GE Healthcare refers to the Product Manufacturer warranty, which provides the following:
Basic functional troubleshooting (no technical labor) with supplier phone support and repair or replacement (at the manufacturer's or dealer's option) of defective products or parts. ***Note:*** *The battery for Service/Warranty Code* ***D*** *has a 1-year warranty. For detailed warranty information, please refer to the Product Manufacturer's warranty certificate.*

E GE Healthcare directly, or through a sub-contractor, provides:
Installation (in some cases with an additional charge); basic functional troubleshooting (no technical labor) with supplier phone support; and coordination of unit exchange or loaner program for in-factory service.
GE Healthcare arranges for the third-party Product Manufacturer or its dealers to provide in-factory service:
At no charge during the warranty period and at manufacturers or dealer's prevailing service rates outside of the warranty period. Products must be returned to the manufacturer or dealer, at GE Healthcare's expense during warranty and Customer's expense after warranty, for repair.

F GE Healthcare refers to the Product Manufacturer warranty, which provides the following:
Basic functional troubleshooting (no technical labor) with supplier phone support and replacement of non-conforming products or parts, which Customer returns to the manufacturer or dealer during the warranty period. ***Note:*** *For detailed warranty information, please refer to the Product Manufacturer's warranty certificate.*

G, J, O and Q GE Healthcare refers to the Product Manufacturer warranty, which provides the following:
Start up and commissioning; basic functional troubleshooting (no technical labor) with supplier phone support 24/7; and warranty service to repair, adjust, or replace (at the manufacturer's or dealer's option) non-conforming products or parts (excluding installation, time and material). ***Note:*** *The UPS battery for Service/Warranty Code* ***G*** *has a 9-year pro-rated warranty to cover non-conforming material. Start up and commissioning for Service/Warranty Code* ***O*** *applies only to 10 KVA and above. The UPS battery for Service/Warranty Codes* ***O*** *and* ***Q*** *has a 1-year warranty to replace the product. For detailed warranty information, please refer to the Product Manufacturer's warranty certificate. Warranty service for Service/Warranty Codes* ***G*** *and* ***O*** *is provided On-site. For detailed warranty information, please refer to the Product Manufacturer's warranty certificate.*

H, K, L and M GE Healthcare directly provides the following:
Exchange of non-conforming products, which Customer returns to GE Healthcare during the warranty period. ***Note:*** *Installation, parts, applications training, and on-site service is the Customer's responsibility.*

N, R and S GE Healthcare refers to the Product Manufacturer warranty, which provides the following:
Installation; Preventative Maintenance; and parts and labor. ***Note:*** *Post-warranty service, at manufacturer's prevailing HBS rates, and in some cases, under GE Healthcare service contracts. The battery for Service/Warranty Code R has a 1-year warranty. For detailed warranty information, please refer to the Product Manufacturer's warranty certificate.*

P GE Healthcare directly provides the following:
Replacement of non-conforming components. ***Note:*** *Installation, parts, applications training, and on-site service is the Customer's responsibility.*

T, V and X GE Healthcare directly provides the following:
Replacement of Product only; GE Healthcare will not replace patient records; and product is warranted only for image legibility. ***Note:*** *Installation, parts, applications training, and on-site service is the Customer's responsibility.*

W GE Healthcare directly provides the following:
Replacement of Product only for Out of Box failure. ***Note:*** *Installation, parts, applications training, and on-site service is the Customer's responsibility.*

Y and Z GE Healthcare refers to the Product Manufacturer warranty, which provides the following:
Basic functional troubleshooting (no technical labor) with supplier phone support and replacement of non-conforming components. ***Note:***

*All electrical components (excluding the UPS) for Service/Warranty Code **Z** have a 1-year warranty. For detailed warranty information, please refer to the Product Manufacturer's warranty certificate.*

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed HealthTrust Tier 1 Service Agreement Addendum with GE HealthCare

Recommended Action: Approve; Authorize Chairman to sign

Summary:
Kern Medical requests your Board approve the proposed HealthTrust Tier 1 Service Agreement Addendum with the GE Healthcare for maintenance service of the new MRI trailer. This proposed Agreement is a part of a package of agreements associated with the purchase of a new MRI trailer. The purchase of a new MRI machine will allow Kern Medical to obtain the latest imaging technology increasing our clinical satisfaction.

Included in the purchase of the new MRI machine is maintenance services for the initial year after installation. This proposed Agreement provides an additional year of maintenance services thereafter for a total of two (2) years of maintenance coverage. The proposed Agreement also includes coverage to include preventative maintenance, service and parts of the actual MRI machine. The cost of the service agreement is $89,766 annually.

By approving this proposed Agreement, and the other MRI purchase related agreements, your Board will provide a significant savings of $405,000 to Kern Medical over the next five (5) years.

Therefore, it is recommended your Board approve the proposed HealthTrust Tier 1 Service Agreement Addendum with the GE Healthcare for maintenance service the new MRI trailer, for a period of twelve (12) months to commence twelve (12) months from the date of delivery of the new MRI trailer, in an amount not to exceed $89,766; and authorize the Chairman to sign.

HealthTrust Tier 1 Service Agreement Addendum
Quotation ID: 9AF60DF

KERN COUNTY HOSPITAL AUTHORITY

Ovation

Quote Created Date: 3/27/2026
Quote Expiration Date: 5/26/2026

Line #	Equipment Identifiers	Trans. Type	Equipment	Effective Date	Offering	Options	Features	Incremental Annual Amount	Comments
1	System ID: TBD0001 Contract: 1-555567669145 Global Order #: TBD	ADD POS	GEHC MR 1.5T SIGNA VOYAGER (M#5S4)	Equipment Acceptance for 12 Months	Supplemental Services During Warranty	INCLUDED: • OnWatch: Predict	• FE Coverage Weekdays: Mon-Fri, 8AM-9PM • FE Onsite Response Time: 2-Hours • MyGEHealthCare Equipment • PM Coverage Hours/Days: Mon-Fri, 8AM-9PM • Point of Sale Supplement** • TiP-Ed Online(TV) Subscription • TVA on Demand • Uptime Commitment: 98%	$0	» Entitlements under warranty. Fair Market Value: $11,425. » Entitlements should correspond to post warranty coverage levels. » Signature required prior to equipment install date.
2	System ID: TBD0001 Contract: 1-555567669145 Global Order #: TBD	MODIFY: Offering POS	GEHC MR 1.5T SIGNA VOYAGER (M#5S4)	12 Months after Equipment Acceptance through 7/31/2030	HealthTrust Tier 1 Full Service	INCLUDED: • Cryogens • GE SUPPLIED COILS • GEM SUITE INCL. PATIENT TABLE • ILINQ RESPONSE TIME: 30 MIN. • INTELLITOUCH COVERAGE • Magnet Maintenance • MR Pads: MR Table and Position Pads, Qty 8 • OnWatch: Predict • SPECTROSCOPY • System Usage: UNLIMITED EXCLUDED: • CHILLER COVERAGE • IROC COVERAGE • PERIPHERAL DEVICES • Printers • Sentinelle Breast Imaging Table • UNINTERRUPTED POWER SUPPLY • WORKSTATION	• Advanced Visual Support • FE Coverage Weekdays: Mon-Fri, 8AM-9PM • FE Coverage Weekend: No Coverage Hrs • FE Onsite Response Time: 2-Hours • InSite Response: 30 Minutes • InSite/Tech Phone Support • MyGEHealthCare Equipment • PM Coverage Hours/Days: Mon-Fri, 8AM-9PM • Repair Parts: Included, Next Day 10:30 AM LST-MR • Repair Parts Discount: 40% • Software and Quality Updates • Specialty Parts Discount: 40% • TiP Answer Line • TiP-Ed Online(TV) Subscription • Travel: 1 Hour Travel Before/After FE Coverage M-SN 0000-2400 INCL HOLIDAYS • TVA on Demand • Uptime Commitment: 98%	Old Annual Amount: $0 Incremental Annual Amount: $89,766 New Annual Amount: $89,766	

NET ADJUSTMENT TO CONTRACT:		$89,766
	Comments:	The Agreement is governed by the terms and conditions of HPG-7286 between GE Healthcare and HealthTrust Purchasing Group, L.P. for Diagnostic Imaging & Biomedical Services. Except as set forth in this Addendum, the Agreement is unaffected and continues in full force in accordance with its terms.

The Agreement is hereby amended as follows. The Product above is added, deleted, or modified as indicated. Service for additions or modifications continues until Agreement expiration. In the event of conflict between this Addendum and the Agreement, this Addendum prevails. The Addendum start date for products added or modified is: (a) the above Effective Date if Customer signs and returns this Addendum within 30 calendar days of that date; or (b) the date of signature if Customer does not sign and return this Addendum within 30 calendar days of the above date.

Customer (please complete all fields):	**GE Precision Healthcare LLC, a GE HealthCare business:**
Approved By: _____ Title: _____	Approved By: _____ Title: _____
Email: _____ Phone: _____	
Signature: _____ Date: _____	Signature: _____ Date: _____

APPROVED AS TO FORM:
Legal Services Department

By Phillip Jenkins
Kern County Hospital Authority

1. OnWatch (*if identified on the Product Schedule*). GE HealthCare will use its then-current OnWatch service to monitor: (i) the performance of a limited number of components in the Equipment; and (ii) a limited number of environmental conditions where the Equipment is located. GE HealthCare will receive electronic service alerts of potential and/or emerging issues (e.g., Equipment identification number, description of identified issue) that it may use to service or maintain the Equipment. OnWatch is conditioned on: (a) Customer granting GE HealthCare remote and physical access to the Equipment as requested by GE HealthCare; and (b) Customer providing GE HealthCare with, and maintaining, a GE HealthCare-validated remote access connection to the Equipment at all times during this Agreement.

2. OnWatch Predict (*if identified on the Product Schedule*).

2.1. OnWatch Predict. GE HealthCare will use its then-current OnWatch Predict service to monitor: (i) the health-status of a limited number of components in the Equipment; and (ii) a limited number of environmental conditions where the Equipment is located. GE HealthCare will receive electronic service alerts of potential and/or emerging issues (e.g., Equipment identification number, description of identified issue) that it may use to service or maintain the Equipment.

2.2. Tube Monitoring (if applicable to Equipment). GE HealthCare will monitor eligible tubes installed in the Equipment identified on the Product Schedule. Following GE HealthCare's receipt of an electronic "tube-health" alert from the Equipment, GE HealthCare may access the Equipment (remotely or on-site, as determined by GE HealthCare) to begin tube and related component inspection. This is solely a monitoring service that applies to eligible GE HealthCare manufactured tubes; corrective maintenance, tube replacement coverage, replacement parts and labor are not included.

* *For CT and PET/CT Equipment, tube monitoring applies only to liquid-bearing tubes.*

2.3. Additional Terms and Conditions. OnWatch Predict and tube monitoring are conditioned on: (i) Customer granting GE HealthCare remote and physical access to the Equipment as requested by GE HealthCare; and (ii) Customer providing GE HealthCare with, and maintaining, a GE HealthCare-validated remote access connection to the Equipment at all times during this Agreement.

3. Tube Watch (*if identified on the Product Schedule*).

3.1. Tube Monitoring. Tube Watch provides monitoring of GE HealthCare eligible tubes installed in the Equipment identified on the Product Schedule. Following GE HealthCare's receipt of a "tube-health" alert from the Equipment, GE HealthCare will notify Customer and request access to the Equipment ("Customer Notice"). Within 72 hours of Customer Notice, GE HealthCare will access the Equipment (remotely or on-site, as determined by GE HealthCare) to begin tube and related component inspection. Tube Watch is solely a monitoring service that applies to eligible GE HealthCare manufactured tubes; corrective maintenance, tube replacement coverage, replacement parts and labor are not included.

* *For CT and PET/CT Equipment, Tube Watch applies only to liquid-bearing tubes.*

3.2. Performance Guarantee (*if identified on the Product Schedule*). If a GE HealthCare eligible tube prevents the Equipment from scanning: (i) before Customer Notice; or (ii) within 72 hours of Customer Notice (each, a "Failure"), then, subject to the conditions herein, GE HealthCare will provide Customer a service credit equaling the Tube Watch performance guarantee amount identified on the Product Schedule for such Equipment in the contract year in which the Failure occurred ("Performance Guarantee"). The Performance Guarantee is limited to 1 service credit per contract year regardless of whether multiple Failures occur on the same Equipment in a contract year.

3.3. Additional Terms and Conditions. Tube Watch and the Performance Guarantee (if applicable) are conditioned on: (i) Customer granting GE HealthCare remote and physical access to the Equipment as requested by GE HealthCare; (ii) Customer providing GE HealthCare with, and maintaining, a GE HealthCare-validated remote access connection to the Equipment at all times during this Agreement; (iii) Customer performing tube warm up procedures in accordance with GE HealthCare recommended frequencies and published specifications; (iv) the GE HealthCare tube being in an unaltered and unmodified condition and in compliance with GE HealthCare specifications at all times during this Agreement; and (v) the GE HealthCare tube being installed in the Equipment in accordance with GE HealthCare specifications at all times during this Agreement. Tube Watch is void if a non-GE HealthCare tube and/or high voltage chain components not sourced by GE HealthCare (e.g., high voltage tank, inverter, high voltage cables) are installed in the Equipment.

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed AMST Terms and Conditions of Sale with AMST, A Marmon Berkshire Hathaway Company

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve the proposed AMST Terms and Conditions of Sale with AMST, A Marmon Berkshire Hathaway Company for service of the new MRI trailer. The proposed Agreement is part of a package of the agreements related to the purchase of a new MRI machine. The proposed Agreement is for the service of the trailer that the new MRI machine will be housed in. AMST will provide quarterly preventative maintenance, repair and replacement of the covered trailer components. The proposed Agreement commences twelve (12) months after the installation of the new machine and expiration of the initial twelve (12) month maintenance warranty period. The proposed Agreement will be effective from April 15, 2027 through April 14, 2032, in an amount not to exceed $240,000.

By approving this proposed Agreement, and the other MRI purchase related agreements, your Board will provide a significant savings of $405,000 to Kern Medical over the next five (5) years.

Therefore, it is recommended that your Board approved the proposed AMST Terms and Conditions of Sale with AMST, A Marmon Berkshire Hathaway Company for service of the new MRI trailer, for a period of five (5) years, from April 15, 2027 through April 14, 2032, in an amount not to exceed $240,000; and authorize the Chairman to sign.

AMST

A Marmon | Berkshire Hathaway Company

Five Year Full Service (PM) Agreement

11/7/25

General Information:

Site Name:
Site Address:
Site Contact:
Site Phone:
Site Email:

Billing Organization:
Billing Contact:
Billing Email:
Purchase Order Number:
****Please also include purchase order*

Trailer to be serviced:

Trailer Manufacturer: AMST
AMST Job Number (if applicable):
Date of Manufacture:
Customer Unit Number:
VIN Number:

Agreement:

- 20 (20) quarterly PM Visits as outlined in Addendum A; scope of work and deliverable to be performed by technician included
- Repair or replacement of any defective components as outlined in Addendum B (5-year Warranty Extension)
- To Be Billed $48,000 annually

Total Contract Value: $240,000

AMST and Customer have executed this agreement.

Signature: _____
Authorized Representative Name:
Authorized Representative Title:
Date:

For AMST Use Only: _____
Signature:

AMST

A Marmon | Berkshire Hathaway Company

ADDENDUM A

Preventative Maintenance Agreement

- The intent of this agreement is for AMST to assume responsibility for preventative maintenance activities on the covered trailer for the duration selected in the mobile unit purchase agreement.
- The Preventative Maintenance Agreement will cover the work outlined in the AMST Preventative Maintenance Checklist. Any issues with the coach found during the preventative maintenance visits will be documented and provided to the customer. Items covered by an AMST warranty or under the Preventative Maintenance Agreement and in need of service, will be scheduled for repair if repair cannot be completed at the time of the PM.
- This agreement covers the AMST mobile unit only. It does not cover items related to the medical system installed in the mobile unit.
- AMST service personnel will coordinate with the purchaser's designated point of contact to schedule the quarterly PM visits. AMST Service will proactively reach out to the designated contact in an effort to schedule the PM's at least 3 weeks in advance of performing the service.
- The service technician will communicate to the purchaser's designated point of contact of any issues uncovered during the inspection that may require services to be performed that are **not** covered in this PM Agreement. Price and timeline for completion of said services will be provided via a quote to the purchaser's designated point of contact. Upon customer agreement and receipt of a purchase order, the services and/or repairs outlined in the quote will be completed.
- The service technician will create and provide a detailed report documenting services performed during each visit.

Components subject to wear under normal use such as tires and brakes are excluded from this agreement. Damage resulting from abuse, neglect, misuse, mishandling or accident / collision of the covered trailer are not included in this agreement. Additionally, the following items are excluded from this agreement:

1. Suspension components
2. DOT inspection renewal stickers
3. Fire suppression gases

AMST

A Marmon | Berkshire Hathaway Company

Warranty Extension Program

The intent of this agreement is to serve as a warranty extension of the 12- month warranty outlined in the AMST New Build warranty statement below:

Scope: Applies to new medical imaging vehicles manufactured by Advanced Mobility & Shelter Technologies, LLC d/b/a AMST ("AMST"), a Kentucky Trailer Company, and all attaching parts.

Terms: AMST warrants to the original purchaser only and not to subsequent purchasers, that AMST will provide the repair or replacement of the trailer components and equipment referenced in a valid quotation that are defective in material or workmanship under the following conditions:

1. For warranty claims made during the period of ONE year from the date of delivery, AMST will, at AMST's option, provide the replacement or repair of any of the above-referenced components and equipment that is found to be defective by AMST in material or workmanship.

2. IN THE EVENT OF A WARRANTY CLAIM, THE ORIGINAL PURCHASER MUST CONTACT AMST AT THEIR OFFICES AT 611 COMMERCE CENTER DRIVE UNIVERSITY PARK, IL. 60484 OR BY TELEPHONE NUMBER (800) 839-0630. WARRANTY SERVICE MUST BE PERFORMED AS APPROVED BY AMST. WARRANTY REPAIRS WILL BE PERFORMED AT THE ADDRESS LISTED ABOVE UNLESS OTHERWISE AUTHORIZED BY AMST. WARRANTY REPLACEMENT PARTS WILL BE FURNISHED FREIGHT PREPAID. LABOR COST TO REPAIR OR REPLACE WILL BE LIMITED TO THE AMOUNT OF THE ORIGINAL PURCHASE PRICE OF THE PRODUCT AND COMPONENTS. THE REPLACED WARRANTY PRODUCTS OR PARTS BECOME THE PROPERTY OF AMST AND MUST BE RETURNED TO THE ADDRESS LISTED ABOVE FREIGHT PREPAID, UNLESS PRIOR ARRANAGEMENTS HAVE BEEN AGREED TO, IN WRITING. ALL OPTIONS MUST BE EXHAUSTED TO CONDUCT WARRANTY WORK DURING NORMAL BUSINESS HOURS. REQUESTS TO CONDUCT WARRANTY WORK OUTSIDE OF NORMAL BUSINESS HOURS MIGHT RESULT IN SHARED LABOR COSTS WITH THE ORIGINAL PURCHASER. IN THE EVENT REPAIRS ARE UNDERTAKEN BY ANY PARTY OTHER THAN SELLER WITHOUT SELLER'S PRIOR WRITTEN CONSENT, ALL WARRANTY CLAIMS WITH RESPECT TO THE PORTION OF THE GOODS THAT IS SO REPAIRED OR AFFECTED SHALL BE NULL AND VOID.

3. This limited warranty is valid only when the product is properly maintained per the AMST Preventive Maintenance Checklist on a quarterly basis. Quarterly maintenance services by AMST to meet this requirement are not included in the purchase price of a new trailer. AMST will provide these services when specifically contracted to do so. Failure to do proper preventive maintenance may void certain warranty claims. Trailer

shall be operated in a proper and reasonable manner as stated in the Site Planning Guide. Further, this Warranty shall be void to the extent the vehicle is subject to (i) improper installation or storage; (ii) accident, damage, abuse, acts of god or misuse; (iii) abnormal operating conditions or applications; (iv) operating conditions or applications above the rated capacity of the vehicle; (v) repairs or modifications made to all or part of the vehicle without the prior written consent of AMST; or (vi) a use or application other than or varying in any degree from the specifications and AMST's instructions.

4. This Warranty does not cover any tires, medical equipment or related accessories or equipment which are not manufactured by AMST ("Third Party Products"). With respect to Third Party Products, AMST makes no warranty whatsoever, and, to the fullest extent permitted by law, AMST disclaims all warranties of all types whatsoever, whether express, implied or statutory. AMST's sole obligation with respect to Third Party Products is that AMST shall use commercially reasonable efforts to assign to the original purchaser any express warranty provided by the manufacturer of such Third Party Products (for clarity, AMST does not guarantee that such warranties can be assigned to the original purchaser)

5. AMST SHALL NOT BE LIABLE TO BUYER OR ANY OTHER PERSON OR ENTITY FOR ANY INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR SPECIAL DAMAGES OR ANY OTHER LOSSES, DAMAGES OR EXPENSES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT AMST HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE INCLUDING LOSS OR USE OF VEHICLE, LOSS OF TIME, INCONVENIENCE, EXPENSE FOR GASOLINE, TELEPHONE, TRAVEL, LODGING, LOSS OR DAMAGE TO PERSONAL PROPERTIES, OR LOSS OF REVENUES

6. Except as specifically stated in this Limited Warranty, AMST makes no other warranties, express or implied, and disclaims all other express and, to the extent permitted by law, implied warranties, including the implied warranties of merchantability, non-infringement and fitness for a particular purpose; provided, however, if disclaiming any implied warranties is not permitted by law, then such implied warranties, including the warranties of merchantability and fitness for a particular purpose, are limited to one year from the date of purchase and thereafter all such implied warranties (including merchantability and fitness for a particular purpose) are disclaimed and excluded.

7. This One Year Limited Warranty is the exclusive warranty of AMST. The SALES PERSONNEL or other employees of AMST ARE NOT AUTHORIZED TO MAKE WARRANTIES concerning AMST products and no oral statements shall constitute a warranty by AMST.

This limited warranty gives you specific rights and you may also have specific rights which may vary from state to state.

8. Components subject to wear under normal use such as tires and brakes are excluded from this agreement. Damage resulting from abuse, neglect, misuse, mishandling or accident / collision of the covered trailer are not included in this agreement. Additionally, the following items are excluded from this agreement:

    a. Suspension components
    b. DOT inspection renewal stickers
    c. Fire suppression gases

The AMST Terms and Conditions of Sales are attached hereto and are incorporated herein, and shall govern this Full Service Preventative Service Agreement.

AMST

A Marmon | Berkshire Hathaway Company

PREVENTIVE MAINTENANCE CHECKLIST

Company Performing Preventive Maintenance:					
Job Number:		Date of PM Service:			
Service Technician:					
Trailer ID # :	Date	Date	Date	Date	
DOT Certification Date:					
HVAC	**3M**	**6M**	**9M**	**12M**	**Comments**
Inspect/change filters					
Inspect Thermostats					
Verify heat strip operation					
Inspect/clean evaporator coil					
Clean/inspect condenser coils					
Inspect electrical contactors					
Verify refrigerant pressures					
Inspect refrigeration piping abrasion					
Lubricate fan motors if applicable					
Inspect covers/fasteners					
Verify compressor amp draw					
Verify condensate pans/drains					
Verify condenser motor operation					
Chiller	**3M**	**6M**	**9M**	**12M**	**Comments**
Inspect electrical contactors					
Verify refrigerant pressures					
Inspect refrigeration piping abrasion					
Inspect pump seal					
Lubricate motors					
Clean/replace aluminum filters					
Inspect covers/fasteners					
Verify operating/alarm controls					
Verify CW supply temp 45-75 F					
Inspect/replace glycol filter					
Clean/ inspect condensing coils					
Verify/adjust glycol level					
Verify Condenser motor operation					

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Test/inspect lift gate					
Inspect rails/ pins					
Inspect lift fittings/pivot points					
Clean / lubricate slide rails					
Verify lift transport warning switches/lights are working & operation switches/remote					
Inspect/Clean 12 volt battery terminals & cables load test battery					
Inspect lift hydraulic pump cylinders hoses fittings for leaks & verify fluid level					
Verify van battery charger					
Verify roll door controls					
Inspect roll door mounting bolts					
Inspect roll door clutch/hardware					
Inspect roll door side track rails					
Inspect roll door key way					
Clean and lubricate roll door rails chains and cylinder wear block					
Inspect awning					
Inspect bay door shocks/hardware					
Verify bay light operation					
Inspect clean and RF door gasket. Verify RF door operation					
Verify RF door lock and the handle operate correctly					
Check RF door for binding and loose hardware.					
Check door hinges/stops/latches for proper operation					
Inspect Slide outs for operation					
Inspect Slide out compressor					
Empty compressor drain and verify Y-strainer is cleaned out					
Check Fire system Last Inspection Date:					
Inspect stair mounts					
Inspect interior flooring					
Verify bay heater operation					
Inspect cabinet latches and hinges					
Verify phone/communication lines					
Inspect landing gear					

Inspect locking pins					
Inspect air drive or air/hydraulic					
Inspect air tanks					
Verify hub fluid levels					
Inspect undercarriage/frame					
Inspect airbags/airlines/fittings					
Inspect shocks/bushings					
Inspect Tires - advise of any issues					
Note hub meter mileage: 68968 miles.					
Generator	**3M**	**6M**	**9M**	**12M**	**Comments**
Clean fuel/water separator & replace filter					
Lamp test on control panel					
Inspect fuel lines & injectors					
Change oil/filters- 250 hours					
Check crankcase breather					
Check hoses/belts					
Verify radiator coolant level					
Verify coolant freeze point & pH					
Verify block heater operation					
Inspect housing mounting bolts					
Inspect muffler/brackets					
Verify battery charging voltage					
Load test battery/clean terminals					
Verify voltage & hertz output					
Record hours run since last P.M. (540.5 hours) Recorded Generator Hours					
Ground Continuity Test and record the results (Very Important)					
Electrical	**3M**	**6M**	**9M**	**12M**	**Comments**
Inspect breakers and panels					
Inspect lighting and bulbs					
Inspect power cord and plug, tighten any loose connections to the plug wire					
Inspect 110 volt outlets					

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Humidifier	3M	6M	9M	12M	Comments
Inspect/replace steam tank					
Verify humid control set point					
Inspect/fill water reservoir					
Clean fill and drain valves					
Verify 12 volt pump					
Change humidifier canister every 6 months					
Misc.	**3M**	**6M**	**9M**	**12M**	**Comments**
Attach and/or fill out Quarterly Service Record for all major components					
Comment :					

Signature of Technician:

Date

AMST

TERMS AND CONDITIONS OF SALE

1. **ENTIRE AGREEMENT**. These Terms and Conditions of Sale ("Terms") govern the sale of services ("Services") by AMST ("Seller") to the buyer ("Buyer"). These Terms supersede all other terms and conditions, oral or written, between the parties and represent the final and complete understanding of the parties. Any attempt by a party to replace or vary these Terms unless expressly agreed upon by the other party is rejected.

2. **PRICES; ORDERS**. Prices quoted are based on the price at the time of quotation. Orders are not binding upon Seller until accepted by Seller. Acceptance can occur if Seller commences performing Services.

3. **TAXES**. Prices quoted by Seller do not include any sales, use, excise, privilege, ad valorem, or other taxes, duties, or assessments now or hereafter imposed or levied ("Taxes") by or under the authority of any federal, state, or local law, rule, or regulation concerning the performance of the Services.

4. **PAYMENT**. Unless otherwise agreed upon by the parties in writing, Payment Terms are Net 30 days from date of invoice. Payments shall be made without reduction or setoff.

5. **WARRANTY**. Seller warrants that Services will be performed in a timely and competent manner and in accordance with all applicable industry standards. SELLER DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. If the Services are found to not be in conformity with the above warranties, then Seller will reperform the Services at no cost to Buyer or credit Buyer's account therefor, at Seller's option.

6. **LIMITATION OF LIABILITY**. SELLER SHALL NOT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR SPECIAL DAMAGES OR ANY OTHER LOSSES, DAMAGES OR EXPENSES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY AMOUNT IN EXCESS OF THE PRICE RECEIVED BY SELLER FOR THE SERVICES WITH RESPECT TO WHICH SUCH LIABILITY IS CLAIMED.

7. **INDEMNIFICATION**. Seller shall defend, indemnify and hold Buyer, its affiliates and their respective officers, directors, members, managers, representatives, agents and employees harmless from and against all claims, suits, demands, losses, liabilities, damages and expenses (including reasonable attorneys' fees) related to property damage or personal injury, including death (collectively, "Losses"), arising out of or relating to Seller's negligent performance of the Services.

8. **CONFIDENTIALITY**. Each party may receive information from the other party that is of a confidential and proprietary nature (the "Confidential Information"). The receiving party shall (i) protect Confidential Information from inadvertent disclosure; (ii) not disclose Confidential Information to any third party, and (ii) shall not use the Confidential Information for any purpose other than to perform its obligations under this Agreement. Confidential Information does not include information that (a) is or becomes generally available to and known by the public other than as a result of any breach by the receiving party; (b) is or becomes available to the receiving party on a non-confidential basis from a third-party source; (c) was known by or in the possession of the receiving party or its representatives prior to being disclosed; and (d) is required to be disclosed pursuant to applicable Law.

9. **OWNERSHIP OF INTELLECTUAL PROPERTY**. All drawings, know-how, designs, specifications, inventions, devices, processes, copyrights, trademarks, patents and applications therefor, and other information or intellectual property disclosed or otherwise provided by Buyer ("Buyer IP") will remain the property of Buyer. All drawings, know-how, designs, specifications, inventions, devices, processes, copyrights, trademarks, patents and applications therefor, and other information or intellectual property ("Seller IP") disclosed or otherwise provided by Seller will remain the property of Seller.

10. **FORCE MAJEURE**. Neither party shall not be liable for any delay in or failure to perform due to any event or contingency beyond its reasonable control (a "Force Majeure Event"), including hurricanes, floods, epidemics, acts of war (whether declared or not), blockades, and labor disputes. If a Force Majeure Event occurs, then the affected party shall provide timely notice of the nature and estimated duration of the Force Majeure Event and the time for performance will extend for such time as reasonably necessary to enable the affected party to perform.

11. **TERMINATION**. Either party shall have the right to terminate for default any Order, in whole or in part if (i) the other party materially defaults and fails to cure the default within ten (10) business days; (ii) a petition relating to bankruptcy, insolvency, or reorganization is filed by or against the other party; (iii) either party executes an assignment for benefit or creditors; or (iv) a receiver is appointed for by either party (v) Either Party may terminate this Agreement upon providing 30 days-notice

12. **WAIVER**. All waivers shall be in writing. Failure of a party at any time to require the other party's performance of any obligation hereunder shall not affect a party's right to require performance of that obligation in the future.

13. **GOVERNING LAW**. Any dispute arising out of or related to these Terms will be governed by and construed in accordance with the laws of the State of California without regard to any rules on conflicts of laws and exclusively litigated in a state or federal court located in the State of California

14. **SEVERABILITY**. The unenforceability or invalidity of any clause in these Terms shall not have an impact on the enforceability or validity any other clause in these Terms. Any unenforceable or invalid clause shall be regarded as removed from these Terms to the extent of its unenforceability and invalidity.

15. **MISCELLANEOUS**. Neither party may assign any of its rights or obligations under these Terms or any Order without the other party's prior written consent. There are no third-party beneficiaries. Provisions which by their nature should survive will remain in force after any termination or expiration of any Order. The section headings are included solely for the convenience of the parties.

16. **Access to Books and Records**. Until the expiration of four (4) years after the expiration or termination of this quote, Seller shall make available, upon written request of the Secretary of the United States Secretary of Health and Human Services ("Secretary") or the Comptroller General of the United States General Accounting Office ("Comptroller General"), or any of their duly authorized representatives, a copy of this quote and such books, documents and records of either party as are necessary to certify the nature and extent of costs of the services Seller provided under this quote.

17. **Audits, Inspection and Retention of Records**. Seller agrees to maintain and make available to Buyer, accurate books and records relative to all its activities under this quote. Seller shall permit Buyer to audit, examine and make excerpts and transcripts from such records, and to conduct audits or reviews no more than once per calendar year of all invoices, materials, records or personnel or other data related to all other matters covered by this quote with prior written notice and during normal business hours. Seller shall maintain

such data and records in an accessible location and condition for a period of not less than four (4) years from the date of final payment under this quote, or until after the conclusion of any audit, whichever occurs last. The state of California or any federal agency having an interest in the subject of this quote shall have the same rights conferred upon Buyer herein.

18. **Health Insurance Portability and Accountability Act-HITECH**. Seller understands that Buyer is a Covered Entity that provides medical and mental health services and that Seller has no authorization to obtain access to any Protected Health Information ("PHI") in any form. If, in the course of the performance of the services, Seller sees or hears any PHI, this PHI is to be treated as private and confidential, including the fact that a person has visited this facility(ies) or receives (or previously received) services from Buyer. The privacy and confidentiality of Buyer's patients are protected by Buyer policies and procedures, state laws and regulations and Federal HIPAA Regulations. If appropriate Seller agrees to execute a business associate agreement with Buyer to supplement this quote if requested, subject to the Parties' agreement upon terms and conditions of the business associate agreement.

19. **Disqualified Persons.** Seller represents and warrants that no person providing goods and/or services under the terms of this quote (i) has been convicted of a criminal offense related to healthcare (unless such individual has been officially reinstated into the federal healthcare programs by the Office of Inspector General ("OIG") and provided proof of such reinstatement to Buyer), (ii) is currently under sanction, exclusion or investigation (civil or criminal) by any federal or state enforcement, regulatory, administrative or licensing agency or is ineligible for federal or state program participation, or (iii) is currently listed on the General Services Administration List of Parties Excluded from the Federal Procurement and Non-Procurement Programs. Seller agrees that if any individuals providing goods and/or services under the terms of this quote becomes involved in a pending criminal action or proposed civil debarment, exclusion or other sanctioning action related to any federal or state healthcare program (each, an "Enforcement Action"), Seller shall promptly notify Buyer and such individual shall be promptly removed by Seller from any functions involving (i) the claims development and submission process, and (ii) any healthcare provider contact related to Buyer's patients; provided, however, that if Seller is directly involved in the Enforcement Action, any agreement between Buyer and Seller shall terminate immediately.

20. **Non-collusion Covenant.** Seller represents and agrees that it has in no way entered into any contingent fee arrangement with any firm or person concerning the obtaining of this quote with Buyer. Seller has received no incentive or special payments, nor considerations, not related to the services to be provide hereunder.

21. **Liabilities of Buyer.** The liabilities or obligations of Buyer with respect to its activities pursuant to this quote shall be the liabilities or obligations solely of Buyer and shall not be or become the liabilities or obligations of the County of Kern or any other entity, including the state of California.

X _____

Todd Mattson
President-AMST

KERN COUNTY HOSPITAL AUTHORITY

By: _____
Chairman, Board of Governors

Date: _____

APPROVED AS TO FORM:
Legal Services Department

By Phillip Jenkins
Kern County Hospital Authority

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed retroactive Memorandum of Understanding (MOU) with the County of Kern, as represented by Behavioral Health and Recovery Services (KernBHRS)

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve the proposed MOU with KernBHRS for the provision of the following services:

- Physician Services
- Psychiatry Graduate Medical Education Training Program
- Crisis Services
- Correctional Services
- STAT Laboratory Services
- Electroconvulsive Therapy Services

Due to delays by the County, the current MOU with KernBHRS expired on March 31, 2026. The proposed MOU is effective retroactively to April 1, 2026, terminating on September 30, 2026. This extension should allow the negotiating team to finalize certain concerns with the proposed MOU. The push to adopt a new MOU is due to the updated compensation.

Kern Medical's most significant portion of compensation stems from the acute inpatient bed day rate of $2,300 as part of the Crisis Services. This amount was negotiated based on Kern Medical's rising costs. However, this increase still does not fully address the gap in reimbursement versus Kern Medical's actual costs, which is why the amendment is reflective of a short, six-month term extension. The proposed extension is being made in an effort to temporize and recoup some of the existing cost gap while we continue to negotiate a more favorable, long-term daily rate. In addition to the increased inpatient daily rate, a new payment mechanism has been negotiated and will be implemented effective July 1, 2026, by way of an Emergency Department Holdover Cost, whereby KernBHRS will reimburse costs associated with individuals diverted from the Psychiatric Evaluation Center (PEC) at a rate of $75 per hour. Reimbursement will begin 121 minutes after the individual has been medically cleared for the PEC Crisis Stabilization Unit (CSU) and the Emergency Department has submitted a completed referral packet to the PEC CSU. Total reimbursement will not exceed $1,800 within a calendar day.

Kern Medical and KernBHRS have partnered closely for many years providing psychiatry services to the Medi-Cal population in the community. KernBHRS's outpatient clinics also serve as the primary training site for our third and fourth year residents and fellows. The annual not to exceed amount for the MOU is not defined, as both parties provide services for the other party.

Therefore, it is recommended that your Board retroactively approve the Memorandum of Understanding with the County of Kern, as represented by Behavioral Health and Recovery Services, effective April 1, 2026, for a term of six months, with an undefined maximum payable, and authorize the Chairman to sign.

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MEMORANDUM OF UNDERSTANDING

BETWEEN

BEHAVIORAL HEALTH AND RECOVERY SERVICES

AND

KERN COUNTY HOSPITAL AUTHORITY

THIS MEMORANDUM OF UNDERSTANDING (hereinafter "MOU") is made and entered into on _____ by and between the County of Kern, a political subdivision of the State of California, as represented by the Behavioral Health and Recovery Services Department (hereinafter "County", "BHRS" or "Department"); and Kern County Hospital Authority, ("KCHA") a local unit of government, which owns and operates Kern Medical Center ("KMC").

WITNESSETH:

WHEREAS:

A. Government Code sections 31000 and 53060 permit the County Board of Supervisors to contract for the furnishing of special services with individuals specially trained and experienced and competent to perform those services; and

B. BHRS desires to liaison with KCHA to participate in Physician Services;

C. BHRS desires to liaison with KCHA to participate in Psychiatry Training Program;

D. BHRS desires to liaison with KCHA to participate in Crisis Services;

E. BHRS desires to liaison with Kern County Hospital Authority to participate in Corrections Services;

F. BHRS desires to liaison with KCHA to participate in STAT Laboratory services for the Psychiatric Evaluation Center (PEC);

G. BHRS desires to liaison with KCHA to participate in Electroconvulsive Therapy services.

H. County desires to engage KCHA to provide said services and KCHA, by reason of KCHA's qualifications, experience, and facilities for doing the type of work herein contemplated, has offered to provide the required services in accordance with the terms set forth herein.

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NOW, THEREFORE, the Parties hereto mutually agree as follows:

1. TERM.

The term of this MOU shall commence on April 1, 2026, and shall remain in effect through September 30, 2026, unless terminated as hereinafter provided.

A. This MOU is subject to annual renewal, with possible revisions to program components and program budgets.

B. Either party may terminate this agreement in part or in whole, with cause, upon thirty (30) days prior written notice to the other party and without cause, upon ninety (90) days prior written notice to the other party. In the event of termination of this agreement for any reason, BHRS shall have no further obligation to pay for any services rendered or expenses incurred by KCHA after the effective date of the termination, and KCHA shall be entitled to receive compensation for services satisfactorily rendered, calculated on a prorated basis up to the effective date of termination. KCHA shall ensure appropriate transfer or discharge of clients admitted prior to the date of termination. Should DHCS or any other oversight agency or BHRS determine that the delivery of service is unsatisfactory, BHRS may terminate the agreement in part of or in whole.

2. MODIFICATIONS TO MOU.

The provisions of this MOU may be modified only by mutual agreement of the parties. No modification shall be binding unless it is in writing and signed by the party against whom enforcement of the modification is sought.

3. SERVICES.

A. KCHA shall provide the services and adhere to the standards of service described in the following exhibits, attached hereto and incorporated herein by this reference:

- **EXHIBIT "A," PHYSICIAN SERVICES;**
- **EXHIBIT "B," PSYCHIATRY TRAINING PROGRAM DESCRIPTION OF STANDARDS AND SERVICES;**
- **EXHIBIT "B2;" KERN MEDICAL – DEPARTMENT OF MEDICAL EDUCATION CPR VI.F.1;**
- **EXHIBIT "B3," KERN MEDICAL- DEPARTMENT OF MEDICAL EDUTATION FELLOW SUPERVISION POLICY;**
- **EXHIBIT "C," CRISIS SERVICES DESCRIPTION OF STANDARDS AND SERVICES;**
- **EXHIBIT "C2," LPS TRANSPORTATION;**

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- **EXHIBIT "C3" EMERGENCY DEPARTMENT HOLD OVER**
- **EXHIBIT "D," CORRECTIONAL SERVICES DESCRIPTION OF STANDARDS AND SERVICES;**
- **EXHIBIT "E," STAT LABORATORY SERVICES DESCRIPTION OF STANDARDS AND SERVICES;**
- **EXHIBIT "F," ELECTROCONVULSIVE THERAPY SERVICES;**
- **EXHIBIT "H," BUSINESS ASSOCIATE AGREEMENT;**
- **EXHIBIT "I," PROGRAM INTEGRITY**
- **EXHIBIT "J," CREDENTIALING AND RE-CREDENTIALING;**
- **EXHIBIT "K," DHCS REQUIRED QUALITY STANDARDS FOR LICENSED, WAIVERED, REGISTERED AND/OR CERTIFIED PROVIDERS; AND**
- **EXHIBIT "L" - DISCLOSURE OF OWNERSHIP AND CONTROL INTEREST STATEMENT**

B. KCHA shall comply with all applicable regulations set forth by the California Department of Health Care Services (DHCS) and any other applicable governing bodies. By this reference, those regulations are made a part of this MOU. Failure to comply with all applicable regulations shall be deemed a material breach of this MOU and may result in termination of the MOU.

C. KCHA shall not be required to provide, reimburse for or provide coverage of, a counseling or referral service if KCHA objects to the service on moral or religious grounds (Section 1932(b)(3)(B)(i) of the Social Security Act, 42 Code of Federal Regulations ("CFR") § 438.10(g)(2)(ii)(A) and 438.102(a)(2).) If there are any referrals to services or counseling that KCHA will not provide, KCHA shall inform BHRS prior to the execution of this MOU or at least 30 days prior to the effective date during the performance of this MOU. KCHA shall provide the same information to potential beneficiaries before and during enrollment and to beneficiaries at least thirty (30) days prior to the effective date of the policy for any particular service.

D. KCHA shall not, on the basis of health status or need for health care services, discriminate against Medi-Cal eligible individuals who require an assessment or meet medical necessity criteria for specialty mental health services. (42 C.F.R. § 438.3(d)(3).)

E. KCHA shall not discriminate against Medi-Cal eligible individuals who require an assessment or meet medical necessity criteria for specialty mental health services on

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the basis of race, color, national origin, sex, sexual orientation, gender identity, or disability and will not use any policy or practice that has the effect of discriminating on the basis of race, color, or national origin, sex, sexual orientation gender identity, or disability. (42 C.F.R. § 438.3(d)(4).)

4. COMPENSATION.

BHRS shall compensate the KCHA in accordance with the following exhibits, attached hereto and incorporated herein by this reference

- **EXHIBIT "A1" PHYSICIAN SERVICES COMPENSATION;**
- **EXHIBIT "B1" PSYCHIATRY TRAINING PROGRAM COMPENSATION;**
- **EXHIBIT "C1" CRISIS SERVICES COMPENSATION;**
- **EXHIBIT "E1" STAT LABORATORY SERVICES; AND**
- **EXHIBIT "F1," ELECTROCONVULSICE THERAPY COMPENSATION**
- **EXHIBIT "G," MAXIMUM FUNDING SCHEDULE**

5. CONFIDENTIALITY.

Both parties will not, without the written consent of the other party, communicate confidential information, designated in writing or identified in this MOU as such, to any third party and shall protect such information from inadvertent disclosure to any third party in the same manner that it protects its own confidential information, unless such disclosure is required in response to a validly issued subpoena or other process of law. Upon completion of this MOU, the provisions of this paragraph shall continue to survive.

6. HIPAA/HITECH COMPLIANCE.

A. The parties are both Covered Entities and may act as a Business Associate under this MOU as defined by the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"),the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("the HITECH Act"), and regulations promulgated thereunder by the U.S. Department of Health and Human Services (the "HIPAA Regulations") and other applicable laws.

B. The Parties agree to execute a **BUSINESS ASSOCIATE ADDENDUM** to supplement this MOU which is attached as **EXHIBIT "H,"** and incorporated herein by this reference.

C. No later than thirty (30) days after the beginning date of the initial MOU, and within thirty (30) days of any change of officers during the term of the MOU, KCHA must submit to the BHRS Compliance Officer, the names and contact information of its current Privacy

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Officer, Security Officer, and Compliance Officer, in accordance with federal and state regulations.

D. Where applicable, both parties agree to implement appropriate safeguards and maintain individually identifiable Protected Health Information ("PHI," including electronic PHI) as required by HIPAA.

   1. The parties agree to submit to the other party a current copy of their HIPAA Security Rule Annual Risk Assessment upon request.

   2. Use and disclose only the minimum necessary protected health information.

   3. Use and disclose PHI only as permitted under HIPAA for legal, management and administrative purposes in connection with treatment, payment and healthcare operations or as required by law.

   4. Require third parties to whom it may disclose PHI to agree, in writing, to similar restrictions and to comply with HIPAA.

   5. Track disclosures of PHI as required under HIPAA, to include the nature of the information disclosed, the date of the disclosure, to whom the information was disclosed, address of the recipient, if known, and the purpose of the disclosure and provide the other party with an accounting of such disclosures promptly upon request.

   6. Promptly notify the other party of disclosures of BHRS patient's PHI, in violation of HIPAA and take steps to mitigate, to the extent practicable, deleterious effects of improper use of PHI.

   7. Promptly make PHI available to the other party and patients upon request per each party's PHI request policy.

      a. Permit patients to request amendment to or correction of PHI and amend and/or correct PHI as appropriate. When so requested, notify the other party of requests for correction and amendment of PHI by patients and incorporate amendment and/or corrections of PHI by a party as directed by the author.

E. The parties acknowledge that PHI received from the other party shall remain the property of the other party and that within ten (10) business days of a request or upon termination of this MOU, said PHI shall be returned to the originating party or be destroyed, if so directed. Any PHI that has become a part of the patient's medical record will remain in their medical record.

F. If such return or destruction is infeasible, the parties shall use such PHI only for purposes that make such return or destruction infeasible and the provisions of this MOU shall survive with respect to such PHI. The parties have established internal policies

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and procedures regarding HIPAA compliance, privacy and security and agree to make such policies and procedures available to upon request.

7. DISCLOSURE OF OWNERSHIP AND CONTROL INTEREST STATEMENT.

KCHA shall comply with the requirements pertaining to the Disclosure of Ownership and Control Interest Statement herein as **EXHIBIT I, "PROGRAM INTEGRITY"** and submit to County the "Disclosure of Ownership and Control Interest Statement," included herein as **EXHIBIT L,**

8. OPTIONS TO SATISFY EXCLUSION REPORTING

The options are as follows:

Option 1: KCHA shall submit with each claim for payment the results of the previous month's exclusion reporting required in **PARAGRAPH 9, EXCLUSIONS REPORTING AND EXHIBIT I, "PROGRAM INTEGRITY"** of this agreement. Should KCHA not submit the report(s), the Department's Finance Division will not process the claim for payment. Any delayed payments will be processed upon receipt of the exclusion report(s).

Option 2: County will complete the exclusion reporting requirement for KCHA. In order for County to complete this task, KCHA shall provide the following information with each claim for payment

a. A list of all active employees for the time period on the Claim for Payment.

b. A copy of each employee's driver's license and social security card. County only needs to receive copies of these documents once to verify identity of listed employee. These documents will be scanned into a secure monitoring tool and the paper copies will then be destroyed.

c. County will run the required exclusion reports. County will notify KCHA immediately if an employee's name appears on any of the Excluded lists ran. KCHA will work with the County to determine if the excluded individual is their employee or provide evidence that the results of the exclusion list was a false positive and not their employee.

d. Should KCHA not submit the required information listed above with their claim for payment to allow County to run the required exclusion lists, the Department's Finance Division will not process the claim for payment. Any delayed payments will be processed upon receipt of the missing information.

9. EXCLUSION REPORTING.

KCHA shall not knowingly have a relationship with any individual or entity who is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in any of such programs by any federal agency or by any department, agency, or political subdivision of the state.

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KCHA shall comply with all guidelines and requirements set forth in **EXHIBIT I, "PROGRAM INTEGRITY"** pertaining to exclusion reporting.

10. CREDENTIALING

A. KCHA shall agree to comply with the terms set forth in **EXHIBIT J, "CREDENTIALING AND RECREDENTIALING FOR ALL NETWORK PROVIDERS.**

B. County and/or its delegated third-party vendor, shall establish and conduct a provider Credentialing Program for credentialing and re-credentialing of contract providers. KCHA has two (2) options to satisfy the Credentialing and Re-Credentialing requirements listed in **EXHIBIT J, "CREDENTIALING AND RECREDENTIALING FOR ALL NETWORK PROVIDERS** of this agreement. The options are as follows:

- Option 1: KCHA shall complete the Credentialing and Re-Credentialing process for their own employees that are licensed, waivered, or registered mental health providers and licensed, registered, or certified Alcohol or Other Drug Counselors at the time of hire and during the increments outlined in **EXHIBIT J, "CREDENTIALING AND RECREDENTIALING REQUIREMENTS"** County will audit these efforts annually to ensure compliance with this requirement. Non-adherence to the Credentialing and Re-Credentialing requirements will result in County issuing a plan of correction to KCHA to address this issue immediately. Serial plans of corrections in this area will result in more frequent audits and/or KCHA no longer having the ability to Credential or Re-Credential their own staff and this task will be then managed by County.

- Option 2: County will complete the Credentialing and Re-Credentialing for KCHA. In order for County to complete this task, KCHA shall provide the necessary information for all employees that are licensed, waivered, or registered mental health providers and licensed, registered, or certified Alcohol or Other Drug Counselors at the time of hire and during the increments outlined in **EXHIBIT J, "CREDENTIALING AND RECREDENTIALING REQUIREMENTS**."

C. Regardless of the option chosen by KCHA, any employees that are licensed, waivered, or registered mental health providers and licensed, registered, or certified Alcohol or Other Drug Counselors that are not Credentialed will not be allowed to provide Medi-Cal reimbursable services, nor participate in the plan's provider network.

11. FINANCIAL SOLVENCY.

KCHA shall maintain adequate provisions against the risk of insolvency.

12. FINANCIAL AND STATISTICAL RECORDS.

A. The parties shall maintain and preserve all fiscal records, documents, and correspondence related to this agreement for a minimum period of ten (10) years after

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the close of the fiscal year in which services are rendered, or ten (10) years after final payment is made (Medi-Cal or MHSA), or until all audit issues are resolved, whichever is later.

B. The parties shall maintain all financial, statistical or accounting records associated with the provision of each type of service described in Exhibit "A" through Exhibit "F" of this agreement, necessary to support the costs claimed pursuant to this MOU or any other federal or state reimbursement claim report forms. Moreover, the parties shall maintain all statistical data necessary to support the allocation of such cost among programs or types of programs and/or among payers; shall maintain auditable records, in accordance with generally accepted accounting principles, reflecting the methods and calculations used to make such allocations; and such other statistical data as shall be necessary to satisfy the requirements of state and federal law.

C. The parties shall make any and all records, whether fiscal or other, generated pursuant to this MOU available for inspection by the other party. At County's discretion, the County may request that KCHA deliver by mail or electronic transmission to the county, a copy of their accounting records pertaining to this MOU prior to an on-site audit by the county. The State of California and/or federal agency having an interest in the subject of this agreement shall have the same rights conferred upon the county herein.

13. MEDICAL RECORDS MANAGEMENT.

A. KCHA shall retain all medical treatment records for a period of at least ten (10) years after the client is discharged. If the client is a minor, the medical treatment records shall be retained for at least ten (10) years or for a period of at least one (1) year after the minor attains the age of twenty-one (21), whichever is later. Retention and destruction of medical records are subject to the provisions of Health & Safety Code Section 1457; Title 22 CCR 75343, 70751, and 72543. Such medical records shall be shredded before disposal or may be disposed of in any other commercially practicable fashion, which assures the confidentiality of the clients.

B. KCHA shall obtain written approval for the destruction of the medical records from its Board of Governors. In the absence of a Board of Governors, the Chief Executive Officer shall provide written approval for the medical record destruction.

C. A log shall be maintained which shall include, for each record destroyed, at least the following information on the client: name; chart number; date of birth; social security number; gender; treatment dates; and the date of destruction. The log of records destroyed shall also include the written authorization of the destruction and shall be maintained in such a format and location as to be readily available for purposes of monitoring contractual performance, as well as to provide information in response to legally authorized inquiries.

D. KCHA is authorized and charged with the responsibility of determining when records may be destroyed pursuant to this agreement and in compliance with applicable law.

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E. KCHA shall make any and all records, whether medical or other, generated pursuant to this agreement available for inspection by the county in accordance to any and all other applicable laws. At County's discretion, County may request that KCHA deliver by mail or electronic transmission to the county, a copy of KCHA's accounting records prior to an on-site audit by the county. The State of California and/or federal agency having an interest in the subject of this agreement shall have the same rights conferred upon the county herein.

14. ADDITIONAL PROVISIONS.

A. Books and Records:

KCHA shall maintain such books and records as are necessary to disclose how the KCHA discharged its obligations under this contract. These books and records shall identify the quantity of covered services provided under this contract, the quality of those services, the manner and amount of payment made for those services, the beneficiaries who received covered services, the manner in which the KCHA administered the provision of specialty mental health services and the cost thereof.

1) Such books and records shall include, but are not limited to, all physical records originated or prepared pursuant to performance under this agreement including: working papers, reports submitted to the Department, financial records, all medical and treatment records, medical charts and prescription files, and other documentation pertaining to services rendered to beneficiaries. Document considered non-discoverable by Evidence Code section 1157 will not be included in such books and records.

2) These books and records shall be maintained for a minimum of ten (10) years after the final payment is made and all pending matters closed, or, in the event KCHA has been notified that BHRS, DHCS, HHS, or the Comptroller General of the United States, or their duly authorized representatives, have commenced an audit or investigation of the agreement, until such time as the matter under audit or investigation has been resolved, including the exhaustion of all legal remedies, whichever is later.

3) KCHA agrees to include in any subcontract for a sum in excess of Ten Thousand Dollars ($10,000), which utilizes state funds, a provision that states that "The state of California or any federal agency having an interest in the subject of this contract shall have the same rights conferred upon KCHA herein."

(Government Code § 8546.7)

B. Transfer of Care:

Prior to the termination or expiration of this MOU, and upon request by BHRS, KCHA shall assist the state in the orderly transfer of mental health or substance use disorder care for beneficiaries in Kern County. In doing this, KCHA shall make available to BHRS

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copies of medical records, patient files, and any other pertinent information, including information maintained by any subcontractor that is necessary for efficient case management of beneficiaries, as determined by BHRS. Costs of reproduction shall be borne by BHRS. In no circumstances shall a beneficiary be billed for this service.

C. **Department Policy Letters:**

KCHA shall comply with all policy letters issued by the Department and received by KCHA. KCHA shall also comply with Department of Health Care Services (DHCS) Letters and Information Notices issued to all Mental Health Plans as defined in California Code title 9, § 1810.226, County Alcohol and Drug Administrators, SUD state plans and DMC-ODS plan, as such DHCS Letters and Information Notices remain in effect unless amended, repealed, or readopted by the Department and received by KCHA. DHCS Letters and Information Notices shall provide specific details of procedures established for the performance of contract terms not covered in this agreement which are determined to be necessary for performance under this agreement but are not intended to change the basis and general terms of the contract.

15. NOTICES.

A. Notices given by one Party to other, under this MOU, will be given in writing by personal delivery, by certified mail, with return receipt requested, or by express delivery service at the address specified below. Notices delivered personally shall be deemed received upon receipt; mailed or express delivery notices shall be deemed received four (4) business days after deposit. A Party may change the address to which notice is to be given by giving notice as provided below.

Notice to BHRS will be addressed as follows:

Behavioral Health and Recovery Services
Behavioral Health Director
PO Box 1000
Bakersfield, CA 93302-1000

Notice to Kern County Hospital Authority will be addressed as follows:

Kern Medical Center
Attention: Chief Executive Officer
1700 Mount Vernon Avenue
Bakersfield, CA 93306

B. Nothing in this MOU shall be construed to prevent or render ineffective delivery of notices required or permitted under this MOU by personal service.

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16. MANDATORY MEETINGS.

KCHA is required to participate in monthly provider meetings, and other meetings as determined necessary by the Medical Services System of Care (SOC) Administrator. Meetings may be held at KMC or at a County location, as the Medical Services SOC Administrator determines. Meeting attendees must be familiar with and well versed in the requirements of this MOU.

17. CULTURAL COMPETENCE.

KCHA shall comply with Cultural Competence requirements set forth by BHRS, in accordance with Welfare and Institutions Code Section 5600.2 and CCR Title 9 Section 1810.410. KCHA shall participate in the Department's efforts to promote the delivery of services in a culturally competent manner to all enrollees, including those with limited English proficiency and diverse cultural and ethnic backgrounds, disabilities, and regardless of gender, sexual orientation, or gender identity. Failure to comply with the following requirements may result in sanctions such as withholding of payments, corrective action notices, or any other actions deemed necessary to ensure contract and performance compliance.

A. No later than sixty (60) days after the beginning date of the agreement, KCHA must submit its agency's cultural competence plan to the BHRS's Ethnic Services Manager.

B. KCHA must submit its agency's Bilingual Quarterly report prior to the fifteenth (15th) of the month following the close of the calendar quarter to the Medical Services Administrator.

C. KCHA understands that its staff must receive at least six (6) hours of cultural competence training each year. Training that is not provided through BHRS and KCHA must have the pre-approval of the Department's Ethnic Services Manager. If KCHA has Board of Behavioral Sciences or similar authorization to provide continuing education units for training it provides, it may submit proof of such authorization to BHRS's Ethnic Services Manager in lieu of obtaining training pre-approval.

    1. County will monitor KCHA's attendance of required Cultural Competence trainings through the Relias training system if KCHA utilizes this program. If KCHA does not utilize Relias, KCHA will need to develop an internal tracking mechanism to monitor their staff's attendance. This tracking system should be available for County to review at any time to ensure that these required trainings are being completed.

18. TRANSLATION AND INTERPRETATION SERVICES.

A. KCHA shall make translation and interpretation services available for beneficiaries, as needed for patient care.

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B. Pursuant to WIC Section 14029.91(a)(1)(C), KCHA shall not require a beneficiary with limited English proficiency to provide his or her own interpreter or rely on a staff member who does not meet the qualifications described in WIC 14029.91(a)(1)(B).

C. KCHA shall not rely on an adult or minor child accompanying the limited-English-proficient beneficiary to interpret or facilitate communication except under the circumstances described in WIC Section 14029.91 (a)(1)(D).

D. KCHA shall not require a beneficiary with limited English proficiency to accept language assistance services, pursuant to 45 CFR Section 92.201.

E. KCHA shall notify its beneficiaries that oral interpretation is available for any language and written translation is available in prevalent languages to individuals whose primary language is not English. This may include, but is not limited to, qualified interpreters and information written in other languages.

F. KCHA shall notify its beneficiaries that auxiliary aids and services are available upon request and at no cost for beneficiaries with disabilities to help them communicate better. These aids and services may include qualified sign language interpreters and written information in other formats.

19. NON-DISCRIMINATION AND FAITHFUL PERFORMANCE.

A. The parties mutually agree to abide by all federal, state and local laws including, but not limited to, all laws respecting employment discrimination. Each party further agrees to fully and faithfully perform all covenants and portions of this agreement, and to take no action that may be inimical to the other party's faithful performance hereof.

B. KCHA shall provide services which incorporate the racial and ethnic values and beliefs of the patient; and shall deliver such services in a manner which meets the patient and his/her family's lifestyle whenever possible.

C. KCHA shall have in place written policies regarding nondiscrimination on the basis of race, color, creed, etc., and shall include nondiscrimination and compliance provisions in all subcontracts. KCHA and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from discrimination and harassment.

20. NATIONAL PROVIDER IDENTIFICATION.

KCHA understands that it must comply with the National Provider Identification (NPI) system and will provide BHRS with the NPI numbers for all staff providing direct health care or clinical services (Physicians and Advanced Practice Providers [APPs]).
KCHA shall comply with all guidelines and requirements set forth in **EXHIBIT I, "PROGRAM INTEGRITY"** attached hereto.

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21. ACCREDITATION.

KCHA shall inform BHRS if it has been accredited by a private independent accrediting entity. KCHA shall authorize the accrediting agency to provide BHRS with a copy of its most recent accreditation review, including: the accreditation status, survey type, and level, review results including recommended actions or improvements, corrective action plans, summaries of findings, and the accreditation expiration date. KCHA shall submit the information to the System of Care Administrator and the Quality Improvement Administrator at the time of accreditation, and every new accreditation period thereafter.

22. INDEMNIFICATION.

A. KCHA Indemnification – KCHA agrees to indemnify, defend and hold harmless County and County's agents, board members, elected and appointed officials and officers, employees, volunteers and authorized representatives from any and all losses, liabilities, charges, damages, claims, liens, causes of action, awards, judgments, costs, and expenses (including, but not limited to, reasonable attorneys' fees of Counsel and counsel retained by County, expert fees, costs of staff time, and investigation costs) of whatever kind or nature, which arise out of or are in any way connected with any act or omission of KCHA or KCHA's officers, agents, employees, independent contractors, sub-contractors of any tier, or authorized representatives. Without limiting the generality of the foregoing, the same shall include bodily and personal injury or death to any person or persons, damage to any property, regardless of where located, including the property of County.

B. County Indemnification – County agrees to indemnify, defend and hold harmless KCHA and KCHA's agents, board members, elected and appointed officials and officers, employees, volunteers and authorized representatives from any and all losses, liabilities, charges, damages, claims, liens, causes of action, awards, judgments, costs, and expenses (including, but not limited to, reasonable attorneys' fees of Counsel and counsel retained by KCHA, expert fees, costs of staff time, and investigation costs) of whatever kind or nature, which arise out of or are in any way connected with any act or omission of County or County's officers, agents, employees, independent contractors, sub-contractors of any tier, or authorized representatives. Without limiting the generality of the foregoing, the same shall include bodily and personal injury or death to any person or persons, damage to any property, regardless of where located, including the property of KCHA.

23. INSURANCE.

A. Each Party shall maintain, at its own expense, worker's compensation with statutory limits, commercial, general and professional liability insurance or self-insurance for bodily injury, death and property loss and damage (including coverage for product liability, completed operations, contract liability and personal injury liability) for claims, lawsuits or damages arising out of its performance under this Agreement or the

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negligent or otherwise wrongful acts or omissions by such party or any of its employees or agents. With the exception of workers' compensation insurance, all such policies of insurance shall provide minimum limits of liability in the amount of one million dollars ($1,000,000) per claim and three million dollars ($3,000,000) annual aggregate. Upon request of a party, proof of insurance evidencing the existence of all coverage required hereunder shall be provided.

B. Cancellation of Insurance — The above stated insurance coverages required to be maintained by and shall be maintained until the completion of all of obligations under this Agreement except as otherwise indicated herein. Each insurance policy supplied must be endorsed to provide that the coverage shall not be suspended, voided, cancelled or reduced in coverage or in limits except after ten (10) days written notice in the case of non-payment of premiums, or 30 days written notice in all other cases. Such notice shall be by certified mail, return receipt requested. This notice requirement does not waive the insurance requirements stated herein. Each Party shall immediately obtain replacement coverage for any insurance policy that is terminated, canceled, non-renewed, or whose policy limits have been exhausted or upon insolvency of the insurer that issued the policy.

C. Failure to maintain all such insurance in effect at all times required by this Agreement shall be a material breach of this Agreement.

24. SUBROGATION.

In the event a beneficiary is injured by the act or omission of a third party, or has a potential or existing claim for a workers' compensation award, or a claim/recovery through uninsured motorist coverage, the right to pursue subrogation and the receipt of payments shall be as follows:

A. KCHA may submit claims to BHRS for Medi-Cal covered services rendered, but KCHA shall not make claims to or attempt to recoup the value of these services from the above-referenced entities.

B. KCHA shall notify BHRS within ten (10) business days of discovery of all cases that could reasonably result in recovery by the beneficiary of funds from a third-party, third-party insurance carrier, workers' compensation award, and/or uninsured motorist coverage.

25. REPORTING UNUSUAL OCCURRENCES.

A. KCHA Behavioral Health Unit (BHU) shall report unusual occurrences to the Director or the appropriate System of Care (SOC) Administrator within five (5) business days from the date of the occurrence for Inpatient Services (see section D) provided to clients admitted and receiving behavioral health treatment under the LPS designation.

An unusual occurrence is any situation that has occurred involving clients admitted to KCHA and receiving behavioral health treatment under the LPS designation that may

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have caused, or has the potential to cause, physical or psychological harm to clients who are receiving or have received services. This definition also applies to visitors of above identified clients (i.e., individuals who are not directly receiving services). An unusual occurrence that takes place in any type of work capacity must be reported.

In addition, an Unusual Occurrence report is required when:

a. A Client may have injured a staff member, another client or visitor
b. A Client makes a serious threat to harm another person
c. There is a suspected violation of professional licensure and/or ethics
d. There is an unauthorized/inappropriate release of Protected Health Information (PHI), Personal Information (PI) and/or Personal Identifiable Information (PII); and/or
e. There is the possibility of threat or legal action and/or negative media attention for the BHRS.

B. Principles: Unusual occurrences shall include but not be limited to:

i. Death.
ii. Suicide attempt requiring Emergency Medical Treatment (EMT).
iii. Tarasoff Report, i.e., client makes a threat to harm another person.
iv. Intentional injury (not suicide attempt) requiring EMT.
v. Seclusion, restraint or emergency manual/chemical containment.
vi. Client or visitor in possession of a weapon at the treatment site.
vii. Client unintentionally injured another client or visitor at a BHRS site or work-related site.
viii. Client injured in a vehicular accident during treatment activities.
ix. Clients / visitors having experienced a slip, trip, fall, or serious accident requiring medical attention.
x. Natural disaster, environmental hazard or biohazard exposure while at treatment site.
xi. Medication prescription and/or administration errors.
xii. Medical health incident requiring immediate/urgent medical attention.
xiii. Client exposed to communicable disease while at treatment site.
xiv. Client exposed to infections (BBP, OPIM) while at treatment site.
xv. Allegations of neglect, verbal, physical, sexual assault of client/visitor as reported. For both current and historical events.
xvi. Client/visitor is a victim of physical, sexual or verbal assault as observed/witnessed by staff.
xvii. Client/visitor is a perpetrator of physical, sexual, or verbal assault as observed / witnessed by staff.
xviii. Unauthorized/inappropriate access, use, disclosure or storage of PHI, PI and/or PII.
xix. PHI, PI and or PII compromised due to inadequate security measures or theft.
xx. Allegations of unethical relationships, behaviors or other unprofessional conduct or licensure violation by staff.
xxi. Observation and/or information regarding questionable or inappropriate staff behavior related to client's or visitor's care.

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xxii. A credible threat of legal action and/or negative media attention as related to Psychiatric Services.
xxiii. AWOL from facility, elopement, wandering.
xxiv. Client's unauthorized use and/or possession of legal or illegal substances.
xxv. Allegations of client/visitor's property loss as reported.

Inpatient Only: In addition to the submission of an Unusual Occurrence report, KCHA shall verbally notify the Crisis Services System of Care Administrator or designee immediately upon the occurrence of events numbered 1, 20, and 23 above. Unusual occurrences KCHA believes warrant immediate notification shall also be reported verbally to the Crisis Services System of Care Administrator or designee prior to the submission of an Unusual Occurrence report.

C. County retains the right to independently investigate unusual occurrences with the cooperation of KCHA, such investigation will not hinder or disturb operations of the BHU.

D. BHU unusual occurrences are to be reported to the Crisis Services System of Care Administrator and Patients' Rights Advocate (PRA) designee within five (5) workdays of the event, or as soon as possible after becoming aware of the unusual event. Written reports are to include the following elements:

i. Name and address of the person(s) involved; and
ii. Complete written description of the occurrence, including outcomes; and
iii. Written report of KCHA's investigation and conclusions; and
iv. List of persons directly involved and/or with direct knowledge of the occurrence

In addition, KCHA shall provide quarterly occurrence reports to the Director, Crisis Services Administration and PRA designee, or indication of no occurrences if applicable. Quarterly occurrence reports shall include the following:

i. Date of occurrence;
ii. Name of individual(s) involved; and
iii. Date occurrence was reported to BHRS.

E. BHRS retains the right to independently investigate unusual occurrences with the required participation of KCHA.

26. CONFLICT OF INTEREST.

A. KCHA shall comply with the conflict of interest safeguards described in 42 CFR Part 438.58 and the prohibitions described in section 1902(a)(4)(C) of the Act. (42 CFR § 438.3(f)(2).)

B. KCHA's officers and employees shall not have a financial interest in this MOU or a subcontract of this Contract made by them in their official capacity, or by anybody or board of which they are members unless the interest is remote. (Gov. Code §§ 1090, 1091; 42 CFR § 438.3(f)(2).)

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C. KCHA shall not utilize in the performance of this MOU any State or County officer or employee in the State or County civil service or other appointed State or County official unless the employment, activity, or enterprise is required as a condition of the officer's or employee's regular State or County employment. (Pub. Con. Code § 10410; 42 CFR § 438.3(f)(2).) KCHA shall submit documentation to BHRS of employees (current and former State and County employees) who may present a conflict of interest.

27. TECHNOLOGY REQUIREMENTS.

A. KCHA shall make reports as required by Director, Director's designee or state regarding KCHA's activities and operations as they relate to KCHA's performance under this MOU.

1. Based on programmatic requirements, as specified in Exhibit A-G, KCHQ shall enter information into the BHRS electronic health record.

2. KCHA shall provide any billing services, which are not part of the entry of clinical documentation using direct data entry as specified in Exhibit A-G.

3. KCHA's staff shall be trained by BHRS in the operation, procedures, policies, and all related uses of the BHRS electronic health record. In exceptional circumstances, the BHRS Administrator may authorize or direct KCHA to provide some or all elements of BHRS electronic health record training internally. The Technology Services Manager, or designee, must approve any requests for KCHA to provide any BHRS electronic health record training. Staff who have not been trained will not be provided with a username and will not have access to the BHRS electronic health record system.

4. Prior to the training, KCHA's staff are to show proof of current Information Privacy and Information Security training completion. Staff who do not provide proof of current Information Privacy and Information Security training will be trained in the use of the BHRS electronic health record but will not be provided with their username until Information Privacy and Information Security training is completed and verification submitted. The Director, or Director's designee, shall endeavor to provide as much advance notice as possible of required data or other information to be reported, but in no event shall such notice be less than fifteen (15) working days.

5. KCHA's staff who are required to be credentialed will not receive their user identification login for the BHRS electronic health record until BHRS receives the appropriate attestation from KCHA that all credentialing elements have been completed for each staff person. This attestation should be sent to Credentialing@kernBHRS.org. BHRS Credentialing team will submit this form for all of KCHA's staff for whom BHRS completes the credentialing process.

B. KCHA, in order to access BHRS's Electronic Health Record (EHR), policies and procedures and other shared technology services, shall secure and maintain a Business Class broadband connection. County will provide access to appropriate information via

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a Virtual Private Network (VPN); software-based VPN connection of sites containing ten (10) or fewer workstation devices, hardware-based Site-To-Site VPN connection of sites containing more than ten (10) workstation devices. County will coordinate configuration of VPN connections with KCHA.

C. Withholding of Payments for Non-submission of Information Technology Services (ITS) and Other Information

i. County may withhold a maximum of ten percent (10%) of any monthly claim for payment, if any data, periodic evaluation data, as described herein, or other information is not submitted by KCHA to County within the time limits of submission as prescribed in this Agreement or as specified by the Director, or Director's designee from time to time; or if any ITS data, periodic evaluation data, or other information is incomplete, incorrect or is not completed in accordance with the requirements of this MOU or as specified by the Director, or Director's designee. The Director, or Director's designee shall endeavor to provide as much advance notice of required data as possible, but in no event shall such notice be less than fifteen (15) working days.

28. DISPUTE AND ISSUE RESOLUTION.

A. Should a dispute occur concerning the performance or interpretation of specific terms of this MOU, including, but not limited to, the validity of overpayment demands and proposed budget modifications, KCHA shall notify County's Medical Services SOC Administrator, and BHRS shall notify KCHA of this issue within sixty (60) days of its occurrence. Such notification shall include specific identification of the issue(s) under dispute, the party's factual basis for the issue, proposed solutions, and the documentary support for the solutions.

B. County's Medical Services SOC Administrator/KCHA shall have fifteen (15) business days from receipt of the notification to render a decision on the dispute. The County's Medical Services SOC Administrator may convene a conference between County and KCHA as part of the decision-making process. County's Medical Services SOC Administrator and KCHA may agree to extend the time period for a decision by the execution of a written memorandum, signed by the parties, specifying the new time period. The decision made by the County's Medical Services SOC Administrator shall be in writing and shall contain sufficient factual data and documentary evidence to reasonably explain the decision.

C. If KCHA disputes the decision made by County's Medical Services SOC Administrator, KCHA may request that the Director of BHRS Department, or the Director's designee, review the decision. Such request shall be in writing and received by the Director, or the Director's designee, within five (5) workdays of the date of the Medical Services SOC Administrator's decision. Such request shall include identification of the items under dispute, KCHA's proposed solutions in summary form, the date of the Medical Services SOC Administrator's decision and any additional information KCHA deems necessary in support of its position. The Director, or the Director's designee, shall have fifteen (15)

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workdays from the date of receipt of KCHA's request to render a final administrative decision. The Director, or the Director's designee, may convene a conference between County and KCHA as a part of the decision-making process. The decision of the Director, or the Director's designee, shall be the final administrative decision. Nothing in this Agreement prevents KCHA from seeking judicial review of such a final administrative decision.

D. Pending conclusion of any dispute, the interpretation placed upon the Agreement by County will govern operation hereunder and KCHA shall proceed diligently with the performance of the Agreement except that KCHA may terminate this Agreement in the manner set forth herein.

29. IMMIGRATION REFORM AND CONTROL ACT.

The parties acknowledge that the parties, and all subcontractors hired by the parties to perform services under this agreement, are aware of and understand the Immigration Reform and Control Act ("IRCA") of 1986, Public Law 99-603. The parties are and shall remain in compliance with IRCA and shall ensure that any subcontractors hired to perform services under this agreement are in compliance with IRCA. In addition, the parties agree to indemnify, defend and hold harmless the other party, its agents, officers and employees, from any liability, damages or causes of action arising out of or relating to any claims that a party's employees, or the employees of any subcontractor hired, are not authorized to work in the United States for the party or its subcontractor and/or any other claims based upon alleged IRCA violations committed by a party or a party's subcontractor(s).

30. RELIGIOUS AND POLITICAL ACTIVITIES.

No person performing any service or providing any goods designated under this Contract shall participate in any political or religious activity on County time or in any manner involving the use of county property or expenditure of public funds nor conveying the implication of County endorsement or support for a candidate for local, state, or federal office. This excludes any and all Chaplain services provided by KCHA at the request of its patients.

Notwithstanding the foregoing, nothing in this Contract shall be construed to unlawfully limit an individual's Constitutional rights. Accordingly, the limitations contained in this section are for the sole purpose of preventing proselytizing and politicking while engaged in the performance of services under this Contract.

31. REPRESENTATIONS.

KCHA makes the following representations, which are agreed to be material to and form the basis of this MOU:

A. KCHA has the expertise, training, and experience necessary to provide the services described in this MOU; and

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B. KCHA does not have any actual or potential interest adverse to nor does KCHA represent a person or firm with an interest adverse to County with reference to the subject of this MOU; and

C. KCHA is willing and able to diligently provide all required services in a timely and professional manner in accordance with the terms and conditions stated in this MOU.

D. KCHA shall provide a beneficiary's choice of the person providing inpatient/outpatient services to the extent feasible in accordance with California Code of Regulations, title 9, section 1830.225 and 42 Code of Federal Regulations part 438.3(l).

32. NON-ASSIGNMENT AND SUBCONTRACTING.

KCHA shall not assign, sublet, or transfer this agreement, or any part hereof. KCHA shall not assign any monies due or which become due to KCHA under this agreement without the prior written or electronic and express approval of County.

33. COMPLIANCE WITH LAW.

Each Party and any subcontractors will observe and comply with all applicable County, State, and federal laws, ordinances, rules, and regulations now in effect or hereafter enacted, each of which are made a part hereof and incorporated herein by reference.

34. LIABILITY OF KCHA.

The liabilities or obligations of KCHA with respect to its activities pursuant to this Agreement shall be the liabilities or obligations solely of KCHA and shall not be or become the liabilities or obligations of BHRS or any other entity, including the state of California. California Health and Safety Code Section 101853(g).

35. NO THIRD-PARTY BENEFICIARIES.

It is expressly understood and agreed that the enforcement of these terms and conditions and all rights of action relating to such enforcement, will be strictly reserved to both Parties. Nothing contained in this MOU will give or allow any claim or right of action whatsoever by any other third person. It is the express intention of both Parties that any such person or entity, other than the Parties to this MOU, receiving services or benefits under this MOU will be deemed an incidental beneficiary only.

36. NON-DISCRIMINATION.

Both Parties agree to abide by all applicable federal and State laws prohibiting discrimination against any participant, volunteer, or any other person because of race, color, religion, handicap, sex, age, sexual orientation, or place of natural origin.

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37. AUTHORITY TO BIND.

It is understood that neither Party in performance of any and all duties under this MOU, except as otherwise provided in this MOU, has authority to bind the other Party to any agreements or undertakings.

38. CHOICE OF LAW/VENUE.

The parties hereto agree that the provisions of this MOU will be construed pursuant to the laws of the State of California. This MOU has been entered into and is to be performed in the County of Kern. Accordingly, the parties agree that the venue of any action relating to this MOU shall be in the County of Kern.

39. NON-WAIVER.

No covenant or condition of this MOU can be waived except by the written consent of BHRS and KCHA. Forbearance or indulgence by BHRS or KCHA in any regard whatsoever shall not constitute a waiver of the covenant or condition to be performed by either Party. BHRS or KCHA shall be entitled to invoke any remedy available to BHRS or KCHA under this MOU or by law or in equity despite said forbearance or indulgence.

40. ENFORCEMENT OF REMEDIES.

No right or remedy herein conferred upon or reserved to BHRS or KCHA is exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right, or remedy given hereunder, now or hereafter existing by law or in equity or by statute or otherwise and may be enforced concurrently or from time to time.

41. CAPTIONS AND INTERPRETATION.

A. Paragraph headings in this MOU are used solely for convenience and shall be wholly disregarded in the construction of this MOU.

B. No provision of this MOU shall be interpreted for or against a party because that party or its legal representative drafted such provision, and this MOU shall be construed as if jointly prepared by the parties.

42. TIME OF ESSENCE.

Time is hereby expressly declared to be of the essence of this MOU and of each and every provision hereof, and each such provision is hereby made and declared to be a material, necessary and essential part of this MOU.

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43. COUNTERPARTS.

This MOU may be executed simultaneously in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instruments.

44. NON-COLLUSION COVENANT.

KCHA represents and agrees that it has in no way entered into any contingent fee arrangement with any firm or person concerning the obtaining of this MOU with BHRS. KCHA has not received from BHRS any incentive or special payments, or considerations not related to the provision of services under this MOU.

45. ENTIRE MOU.

This document, including all attachments hereto, contains the entire MOU between the parties relating to the services, rights, obligations and covenants contained herein and assumed by the parties respectively. No inducements, representations or promises have been made, other than those recited in this MOU. No oral promise, modification, change or inducement shall be effective or given any force or effect.

46. NEGATION OF PARTNERSHIP.

In the performance of all services under this MOU, KCHA shall be, and acknowledges that KCHA is, in fact and law, an independent contractor and not an agent or employee of BHRS. KCHA has and retains the right to exercise full supervision and control of the manner and methods of providing services to BHRS under this MOU. KCHA retains full supervision and control over the employment, direction, compensation and discharge of all persons assisting KCHA in the provision of services under this MOU. With respect to KCHA's employees, if any, KCHA shall be solely responsible for payment of wages, benefits and other compensation, compliance with all occupational safety, welfare and civil rights laws, tax withholding and payment of employee taxes, whether federal, state or local, and compliance with any and all other laws regulating employment, except for as provided for in this MOU.

47. SEVERABILITY.

Should any part, term, portion or provision of this MOU be decided finally to be in conflict with any law of the United States or the state of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the MOU which the parties intended to enter into in the first instance.

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48. TERMINATION.

Either party may terminate this MOU, with or without cause, upon thirty (30) days prior written notice to the other party. In the event of termination of this MOU for any reason, both Parties will have no further obligation to pay for any services rendered or expenses incurred by the other Party after the effective date of the termination.

49. IMMEDIATE TERMINATION.

Notwithstanding the foregoing, both Parties will have the right to terminate this MOU effective immediately after giving written notice to the other Party in the event either Party determines that the other Party does not have the proper credentials, experience, or skill to perform the required services under this MOU; or in the event that continuation by either Party in the providing of services may result (i) in civil, criminal, or monetary penalties against that Party, (ii) in the breach of any federal or State or regulatory rule or regulation or condition of accreditation or certification, or (iii) the loss or threatened loss of either Party's ability to participate in any federal or State program.

50. SIGNATURE AUTHORITY.

Each Party represents that they have full power and authority to enter into and perform this MOU, and the person signing this MOU on behalf of each Party has been properly authorized and empowered to enter into this MOU.

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IN WITNESS TO WHICH, each party to this MOU has signed this MOU upon the date indicated, and agrees for itself, its employees, officers, partners, and successors, to be fully bound by all terms and conditions of this MOU.

COUNTY OF KERN:
Board of Supervisors

By: _____
Chairman

"County"

Kern County Hospital Authority

By: _____
Chairman, Board of Governors

"KCHA"

APPROVED AS TO CONTENT
Behavioral Health and
Recovery Services

By _____
Alison Burrowes, MA, LCSW
Director

APPROVED AS TO CONTENT
Kern County Hospital Authority

By _____
Scott Thygerson
President, Hospital and Clinic Operations

APPROVED AS TO FORM:
Office of the County Counsel

By_____
Kyle Holmes
Deputy County Counsel

APPROVED AS TO FORM:
Legal Services Department

By Shannon Hochstein
Shannon Hochstein
Hospital Counsel

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "A" PHYSICIAN SERVICES DESCRIPTION OF STANDARDS AND SERVICES

I. FACULTY PHYSICIANS

A. Faculty Physicians may share on-call duties to provide on-call psychiatric consultation on weekdays, Monday through Thursday, from 5:00 p.m. to 8:00 a.m., and on weekends, starting on Friday from 5:00 p.m. until Monday at 8:00 a.m., for individuals in the BHU, PEC-CSU and for individuals incarcerated at the Lerdo Correctional Facility.

C. Faculty Physicians that contract directly with BHRS have the ability to participate in the training program and apply for UCLA- Kern Faculty position as agreed upon by both parties.

D. BHRS shall pay the KMC medical staff application fee. The current fee is $300.00 per application. The KMC medical staff may change the application fee from time to time.

E. BHRS Employed Physicians or Contracted Physicians who are assigned to provide psychiatric services at KCHA shall perform medical assessments, psychiatric assessments, medication services and treatment management in accordance with their licensure.

1. Services shall be provided at:
   1700 Mount Vernon Avenue
   Bakersfield, California, 93306

F. BHRS shall recognize a Joint Chair of Psychiatry as identified jointly by KCHA and BHRS and provide payment to the Chair in accordance with the current compensation model for the Department of Psychiatry.

1. In summary, BHRS and KCHA agree to share the cost of this position as fifty (50) percent for each party in total.

II. RECRUITMENT AND RETENTION:

A. BHRS intends that KCHA shall become an additional Physician employer and hiring source for full, as well as part-time, Academic Faculty of the UCLA Kern Psychiatric Training program. KCHA will employ Physicians and independent contractors serving both organizations.

1. BHRS will continue to collaborate with the KCHA in Physician recruitment, hiring, supervision and retention.

2. BHRS and KCHA will hire Clinical and Academic Faculty at a salary agreed upon and approved by the BHRS Director and KCHA CEO.

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III. RECRUITMENT FEES:

A. All recruitment costs will be paid by the organization where the physician will primarily be working.

B. If the Joint Chair approves of moving a physician from BHRS to KCHA or vice versa within 6 months of the date of hire, then 1/2 of the total recruitment costs incurred in the hiring of that individual physician will shared by the receiving organization to the original payer.

IV. CREDENTIALING AND CREDENTIALING FEES:

A. KCHA shall provide credentialing and privileging services for BHRS physicians hired by KCHA when applicable and requested by BHRS.

B. These fees shall be paid in full based on location. If the Joint Chair approves of moving a physician from BHRS to KCHA or vice versa within 6 months of the date of hire, then 1/2 of the total credentialing costs incurred in the hiring of that individual physician will shared by the receiving organization to the original payer.

V. PHYSICIAN COST ALLOCATION:

A. BHRS and KCHA may contract separately for Clinical Faculty and Academic Faculty, and any shared costs will be agreed upon by respective Director/CEO. Physicians seeking to be part of the Residency and Fellowship Training Programs will be mutually agreed upon between BHRS and KCHA.

B. BHRS agrees to pay for Clinical Faculty who work solely for BHRS outpatient.

C. BHRS agrees to pay the full cost for Academic Faculty who work outpatient and contribute to the training program by rotation oversight only.

D. Cost allocation beyond this will be shared costs or identified in Table 1 Benefits and Liabilities Matrix.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "A1" PHYSICIAN SERVICES COMPENSATION

BHRS shall compensate KCHA in accordance with the following provisions:

I. FEE SCHEDULE:

A. Training program time spent by each faculty will be a shared cost between the two entities as outlined below.

1. The cost of physicians employed by KCHA and assigned to BHRS will be reimbursed by BHRS based on the time spent working for BHRS minus KCHA's Training program Contribution.

2. KCHA will provide timecards and other supporting documentation to BHRS for review prior to submission for review of the charges.

   a. BHRS will have ten (10) days to approve charges after receipt of supporting documentation.

   b. BHRS will reimburse KCHA via direct deposit or check.

3. BHRS will reimburse KCHA for fifty percent of the total cost of the Chair of Psychiatry up to the maximum amount listed in Summary Table B-1 below. KCHA will provide supporting documentation demonstrating the cost. KCHA will present these charges to BHRS on a monthly basis.

4. BHRS will pay via direct deposit or check after verifying the charges.

II. BENEFITS & LIABILITY MATRIX:

A. The following grid indicates how benefits and medical liability payments will be adjudicated based on:

1. Who employs the provider
2. Location of Job Duties
3. Residency & Fellowship training contribution

B. Assumptions used in the matrix are as follows:

1. BHRS Finance to pay amount owed each month following approval from BHRS Medical Services Administration.
2. Reconciliation between entities to be settled monthly.
3. Location of Job Duties and time contributing to the training program dictates who is financially responsible for Salary, Wages, Benefits, Liability Premium, and

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Settlement payments.

4. Bi-directional information sharing between entities is expected to support the KCHA finance protocol for split billing when necessary.

III. COMPENSATION:

A. BHRS shall compensate KCHA for services provided as follows:

1. KCHA will be reimbursed according to the table below for Psychiatric Doctors Services minus the 50/50 share of training program time where applicable see table below.

TABLE A-1
BENEFITS AND LIABILITY MATRIX

Provider Employed By	Location of Job Duties	Entity Contracts With	Responsible for SALARY	Responsible for BENEFITS	Responsible for LIABILITY PREMIUM	Holds Medical Liability Policy	Pays Settlements	Bills for SWB & Liability Reimbursement
Kern County Hospital Authority	Kem Medical (100%)	N/A	KCHA	KCHA	KCHA	KCHA	KCHA	N/A
	BHRS	BHRS contracts with KCHA	BHRS	BHRS	BHRS		BHRS	KCHA Bills BHRS
	Mixed (i.e. training program related)	Bi-directional Contract	Split Respective Portion	Split Respective Portion	Split Respective Portion		Depends on Location of Service	KCHA Bills BHRS
BHRS	KCHA (100%)	KCHA contracts with BHRS	KCHA	KCHA	KCHA	BHRS	KCHA	BHRS Bills KCHA
	BHRS	N/A	BHRS	BHRS	BHRS		BHRS	N/A
	Mixed (i.e. training program related)	Bi- directional Contract	Split Respective Portion	Split Respective Portion	Split Respective Portion		Depends on Location of Service	BHRS Bills KCHA

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "B" PSYCHIATRY TRAINING PROGRAM DESCRIPTION OF STANDARDS AND SERVICES

1) Psychiatry Graduate Medical Education Program

KCHA shall continue to provide and maintain its Psychiatry Graduate Medical Education program jointly with BHRS including the following:

A. General Psychiatry Residency
B. Fellowship in Child & Adolescent Psychiatry
C. Fellowship in Addiction Psychiatry
D. Future graduate educational fellowships as deemed necessary by KCHA

2) Psychiatry Training Program

KCHA has an approved Psychiatry training program, which programs require the use of facilities available at BHRS.

3) Affiliation to Provide Educational Programs For Residents Assigned to KCHA

KCHA and BHRS wish to establish an affiliation to provide educational programs for Residents and Fellows (Residents) assigned to KCHA in the above Program.

4) BHRS Facilities

BHRS has facilities that are suitable for the clinical learning experience of residents enrolled in the Programs and it is to the mutual benefit of the parties hereto that BHRS accept Residents for the day-to-day supervision and oversight of resident activities in such numbers and at such times as may be mutually agreed upon between KCHA and BHRS.

5) Responsibilities of KCHA Program Director

Program Director develops curriculum, approves teaching staff and assigns residents to ensure an educational experience which meets the Program Requirements for Psychiatry of the Essentials of Accredited Residencies. The Program Director, working with the faculty, determines the educational goals and objectives to be achieved by rotations of residents to other institutions. The Program Director is responsible for the selection of residents and the overall coordination of the psychiatry residency program.

6) Responsibilities of The Residency Supervisor at BHRS

The General Program's Director, or designee, of Psychiatry at Kern Medical Center shall be responsible for the day to day supervision and oversight of resident activities. This includes such activities as daily and team scheduling, evaluations, conflict resolution, conferences, sick leave, etc. Unless otherwise specifically stated, both Kern Medical Center policies and BHRS

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policies shall apply to residents while at BHRS.

7) Assignments

A. Residents will be assigned to BHRS in the following manner:

1. PGY-2's have individual supportive psychotherapy cases as a predominant part of the outpatient clinical continuum. Residents receive weekly supervision in the outpatient department of the BHRS. This is reviewed in the Introduction to Psychotherapy.

2. PGY-3's spend their entire third year in BHRS. They will have six months (50% time) in social, cultural, and administrative psychiatry and the forensic services/probation programs at BHRS, including outpatient, probationary services, inpatient, court-ordered services, tele-psychiatry jail rotations, as well as rotation to the state hospital for court ordered criminal and sexual offenders. There is also a six-month (50%) child psychiatry rotation. There is a concurrent, continuous (50%) outpatient experience in BHRS for the entire twelve months.

3. PGY-4's have 50% continuous outpatient experience in BHRS for the entire twelve months in addition to any elective rotations within the BHRS System of Care umbrella.

8) Benefits

A. Resident salary and benefits are provided by KCHA and BHRS at a share of 50/50. All required Liability insurance for the Residents are provided at a share of 50/50 between KCHA and BHRS. BHRS will provide required liability insurance coverage for their 50% share through coordination with Kern County Risk Management Office for inclusion on Department's active insurance policies. KCHA will provide required liability insurance for their 50% share through coordination through KCHA's Manager of Clinical Risk for inclusion on the KCHA's active insurance policies. Addition of Residents on both policies will be completed prior to services being rendered to any beneficiaries of either party. Residents will be under the general direction of the policies outlined in the KCHA Residency Policy Manual. BHRS agrees to provide policies and procedures which meet the ACGME's Institutional Requirements.

B. Any exceptions to these policies will take effect only with a written agreement between responsible officials of KCHA and BHRS as an amendment to this MOU.

9) Responsibility for Teaching Supervision and Evaluation of Residents

A. While at BHRS, residents from Kern Medical Center will receive supervision and instruction from active members of the BHRS faculty but will be supervised in all their activities commensurate with the complexity of care being given and the Resident's own abilities.

B. Resident evaluations and feedback will be both formal and informal. BHRS and KCHA Academic Faculty agree to provide the Program Director with written evaluations of the

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performance of the residents who participate in the program at the end of each rotation. These evaluations will be used to determine whether the program's goals and objectives are being achieved.

10) Policies and Procedures for Education

The Program Director is responsible for the oversight of all resident activities. While at BHRS, KCHA residents will take an active role in availing themselves of all educational opportunities, but the responsibility for teaching, supervision and the formal evaluation of the residents' performances are the duties of the BHRS faculty as directed by the Program Director. The educational policies and procedures governing resident activities will confirm the ACGME Essentials of Accredited Residencies including the Program Requirements and Institutional Requirements.

11) Independent Contractor

None of the provisions of this MOU is intended to create, nor shall be deemed or construed to create any relationship between KCHA, BHRS, the Residents/Medical Students and Medical School, other than for the sole purpose outlined in this MOU. Neither of the parties hereto nor any of their respective officers, directors or employees, including, without limitation, residents or students shall be construed to be an agent, employer or representative of the other party, except as specifically provided herein. Neither party is authorized to speak on behalf of the other party for any purpose whatsoever without the prior written consent of the other party.

12) Insurance

Protection for liability while on rotation is provided to residents by BHRS or if deemed necessary by KCHA. Both parties warrant that they participate in a program of self-insurance, or carry policies of insurance placed with reputable insurance companies licensed to do the business of insurance in the state of California with a Best's rating of at least "A-; VII," which insures against the perils of bodily injury, personal injury, malpractice, and property damage, and covers such liabilities and claims as are imposed by law. Both parties shall continue to maintain such insurance or self-insurance in full force and effect during the term of this Agreement and carry limits of liability of not less than One Million Dollars ($1,000,000) each claim and Three Million Dollars ($3,000,000) policy aggregate. Proof of this insurance coverage is to be provided upon request.

13) Outpatient Educational Goals and Activities

A. Assignment of residents to BHRS will contribute to their education by achieving the Goals and Objectives included as Table 3. BHRS agrees to provide the resources to meet these educational goals and objectives and will monitor success in achieving them.

1. Rotation: Outpatient Adult Psychiatry. Level: PGY2, PGY3 & PGY4.

B. Supervision: Direct supervision of the Resident by Supervising Psychiatry Attending

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C. By completion of the psychiatric residency program, residents are expected to demonstrate competence in the following areas:

1. PATIENT CARE - Residents must be able to provide patient care that is compassionate, appropriate, and effective for the treatment of health problems and the promotion of health.

2. MEDICAL KNOWLEDGE - Residents must demonstrate knowledge about established and evolving biomedical, clinical, and cognate (e.g. epidemiological and social- behavioral) sciences and the application of this knowledge to patient care.

3. PRACTICE-BASED LEARNING AND IMPROVEMENT - Residents must be able to investigate and evaluate their patient care practices, appraise and assimilate scientific evidence, and improve their patient care practices.

4. INTERPERSONAL AND COMMUNICATION SKILLS - Residents must be able to demonstrate interpersonal and communication skills that result in effective information exchange and teaming with patients, their patients' families, and professional associates.

5. PROFESSIONALISM - Residents must demonstrate a commitment to carrying out professional responsibilities, adherence to ethical principles, and sensitivity to a diverse patient population.

6. SYSTEMS-BASED PRACTICE - Residents must demonstrate an awareness of and responsiveness to the larger context and system of health care and the ability to effectively call on system resources to provide care that is of optimal value.

TABLE 1
LEGEND FOR LEARNING ACTIVITIES FOR RESIDENTS

DL	Didactic Lectures
DPC	Direct Patient Care/Clinical Patient experience
DSP	Directly Supervised Examinations/Counseling
CORE	CORE conference by GME
GP	Group Discussion
OLT	Online Tool
PR	Project Requirement
RM/FS	Role Modeling/Faculty Supervised activities

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TABLE 2
LEGEND FOR EVALUATION METHODS FOR RESIDENTS

DSEC	Direct Observation of counseling
GR/FE	Global Rating/ Faculty Evaluation
PCL	Procedural or Case Logs
PS	Patient Satisfaction survey
SM	Simulations and Modules
SPE	Supervised Patient Examination
WE	Written Examination
360	360 evaluations (Nurse/staff/peer/)

14) Educational Goals and Objectives for Residents:

The principle educational goals and objectives for residents on this rotation are indicated in the tables below in the first column.

The second column of the table lists the most relevant learning activities for that goal, and the third column indicates the correlating evaluation methods for that goal.

Specific issues that will be discussed by the Attendees during the outpatient adult psychiatry rotation include but are not limited to those listed below.

TABLE 3
OUTPATIENT ADULT PSYCHIATRY

CORE COMPETENCY PATIENT CARE		
GOAL: Provide and carryout continuum of patient care including the diagnosis, treatment and management of psychiatric illness unique to adult ambulatory patient		
OBJECTIVES	Learning Activities	Evaluation Activities
Diagnose and treat a variety of outpatients with a broad range of acute and chronic psychiatric disorders, seen briefly, regularly or frequently for both focused and long- term management, using a variety of psychopharmacologic, psychotherapeutic, and social rehabilitative treatments	DPC, DSP, GD	GR/FE, SPE, PCL, WE
Practice conceptualizing psychopathology in terms of each patient's developmental, biological, psychological and social patterns and formulate patient specific treatment plans based on this understanding	DPC, GD	GWFE, SPE

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Show consideration for and respond therapeutically to personality features and coping techniques that affect the course of a patient's illness	DPC, GSE	GWFE, SPE
Provide psychiatric consultative services and/or ongoing care for outpatients referred by other physicians and non-medical therapists	DL, DPC	GWFE
Demonstrate skills in the prescription of psychotropic medications, with specific attention to the needs of ambulatory patients followed by other providers prescribing psychotropic and non-psychotropic medications	DL, DPC	GR/FE
Gain experience and competence in prescribing and monitoring electroconvulsive therapy as an outpatient maintenance treatment for appropriate patients	DL, DPC	GR/FE
Perform supportive, psychodynamic, and cognitive behavioral psychotherapies as both brief and long-term treatments	DL, DPC	GWFE, PCL
Gain familiarity and identify patients who might benefit from family, couples, group and other individual evidence- based psychotherapies	DL, DPC	GWFE, PCL

TABLE 4

OUTPATIENT ADULT PSYCHIATRY

CORE COMPETENCY MEDICAL KNOWLEDGE		
GOAL: Continue to acquire and access new knowledge, interpret the information and apply it in the outpatient		
OBJECTIVES	Learning Activities	Evaluation Activities
Know in detail the diagnostic criteria and the usual progression of symptoms of all the DSM-V disorders emphasizing those commonly diagnosed and treated in an outpatient setting	DPC,	GR/FE, SPE, WE
Expand and demonstrate knowledge of sub-populations and their psychiatric disorders commonly seen in outpatient psychiatric setting including older adults those with mental retardation/developmental disabilities and psychiatric illness, those with Personality disorders, those with co-morbid substance abuse; those with complex medical/surgical/psychiatric comorbidities	DL, DPC, GD, RM/FS	GR/FE, WE, SPE
Pay attention to the impact of economic, ethnic, gender, religious/spiritual, sexual orientation and family factors on a patient's physical and psychological development	DL, DPC	GR/FE

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Demonstrate knowledge of generally accepted diagnostic, psychological, and cognitive tests, and their clinical applications particularly as they pertain to the outpatient setting	DL, DPC	GWFE, WE, SPE
Know the value and application of clinical rating scales of monitoring the care and progress of outpatients	DL, DPC	GWFE, WE
Employ required adjustments and monitoring required in applying psychopharmacological treatments to the diverse	DL, DPC	GWFE, WE
Broaden understanding of the major theories and viewpoints of psychiatry in the context of the field's history		WE
Recognize the major psychotherapeutic modalities (psychodynamic, person-centered, cognitive-behavioral,	DL, DPC, RWFS	GR/FE, WE
Know the methods and recognize the importance and indications for hypnosis, self-regulation/feedback, and	DL, DPC	GWFE, WE
Describe the indications for, and appropriate utilization of, a continuum of care, including crisis intervention, partial	DL, DPC,	GWFE, WE
Recognize the rationale, benefits, problems, and methods of utilizing interactive video (telepsychiatry) in caring for		WE
Differentiate the structure and functioning of a variety of psychiatric outpatient settings (including university-run	DPC	GWFE, PCL

TABLE 5

OUTPATIENT CLINICAL PRACTICE

CORE COMPETENCY PRACTICE-BASED LEARNING & IMPROVEMENT		
GOAL: Employ self-evaluation and reflection for quality improvement in the outpatient clinical practice		
OBJECTIVES	Learning Activities	Evaluation
Apply evidence-based research methods to clinical care	DL, OLT	slM
Self-identify and evaluate weaknesses and strengths, and understand the importance of acknowledging and compensating for same	CORE	360, PS
Provide didactic instruction and clinical teaching/supervision to medical students, more junior residents, and other mental health care providers	CORE, OLT	360, GR/FE
Demonstrate increasing autonomy with increasing experience in all aspects of outpatient care	DPC	GR/FE
Analyze the clinical practice and implement changes with goals of practice improvement	CORE	ps, 360

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TABLE 6

COMMUNICATION WITH PATIENTS, FAMILY AND HEALTHCARE PROFESSIONALS

CORE COMPETENCY INTERPERSONAL & COMMUNICATION SKILLS		
GOAL: Develop ability to interact and communicate with patients, family and healthcare professionals to facilitate and ensure effective care		
OBJECTIVES	Learning Activities	Evaluation
Communicate in a flexible and respectful manner with patients, parents, caregivers, teachers, consultants, case managers and managed care personnel	DPC, RM/FS	GR/FE, 360, PS
Appreciate how personal experiences, demeanor, and comments can affect perceptions in a physician's relationships with patients, families, and other health professionals	DL, DPC	GR/FE, 360, SPE
Maintain a professional attitude at all times even when circumstances make interactions irritating or unpleasant	DL, DPC,	GWFE, 360, PS
Communicate with disturbed and uncooperative patients in a therapeutic and respectful manner	DPC	GWFE, 360, PS
Adapt communication style appropriate to a patient's age, cognitive capacity, and cultural orientations	DPC	GWFE, SPE
Value and encourage clear communication with patients about the processes associated with evaluations and procedures, the results, and the options for treatment	DPC, RM/FS	GR/FE, SPE, PS

TABLE 7

PROFESSIONAL AND ETHICAL PRINCIPLES FOR ALL PATIENTS

CORE COMPETENCY PROFESSIONALISM		
GOAL: Demonstrate a commitment to carrying out professional and ethical principles for all patients		
OBJECTIVES	Learning Activities	Evaluation Activities
Establish and maintain a professional long-term relationship with patients, their families, consultants, non-medical providers, and concerned others	DPC	GR/FE, PS

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Relate to chronically ill, complicated, often indigent patients, and their families with compassion, respect, and professional integrity	DPC	GR/FE, PS
Interact in a respectful and professional manner with peers, supervisors, co-workers, consultants, technicians and all personnel involved in the care of patients		GWFE, 360, PS
Value the necessary objectivity, initiative, judicious decision making, and foresight inherent in the role of an administrative position		GR/FE
Apply ethical concepts to the care of all patients including those whose illnesses are complex and challenging	DL, DPC	GR/FE, PS
Respect patient privacy and autonomy at all times	DL, DPC	GWFE, PS

TABLE 8

KNOWLEDGE AND UNDERSTANDING OF THE LARGER HEALTHCARE SYSTEM

CORE COMPETENCY SYSTEMS-BASED PRACTICE		
GOAL: Demonstrate knowledge and understanding of the larger healthcare system and willingness to advocate among systems for optimum patient care		
OBJECTIVES	Learning Activities	Evaluation
Know and utilize appropriate available (to the setting in which resident located) facilities, resources, and referrals to optimize outpatient care	DL, DPC	GR/FE
Understand and appropriately respond to coding, billing, managed care, utilization review, risk management, and performance improvement requirements	CORE, DL	GR/FE
Gain experience with forensic and governmental benefit issues particular to the ambulatory setting, such as outpatient orders for treatment, competency assessments, workman's compensation and disability evaluations		GWFE
Incorporate considerations of cost awareness and risk benefit analysis in patient care	DL, DPC,	GR/FE, PS
Understand the financing and regulation of psychiatric practice	DL, DPC	GR/FE

15) Outpatient CBT Competencies PGY 3 And 4

A. Knowledge

1. The resident will demonstrate understanding to the basic principles of the cognitive model including the relationship of thoughts to emotion, behavior and physiology; the

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concept of automatic thoughts and cognitive distortions; the common cognitive errors; the significance and origin of core beliefs and relationship of schemas to dysfunctional through and assumptions, behavioral strategies and psychopathology.

2. The resident will demonstrate understanding of the cognitive formulations for the psychiatric conditions for which cognitive therapy is indicated.

3. The resident will demonstrate understanding of the indications and contraindications for cognitive therapy.

4. The resident will demonstrate understanding of the basic rationale for structuring a cognitive therapy session, and the focus on active collaborations and problem solving.

5. The resident will demonstrate understanding of the based principles of psychoeducation and skills training during therapy, and when termination approaches, for relapse prevention.

6. The resident will demonstrate understanding of the basic principles underlying the use of behavioral techniques including activity scheduling, exposure and response prevention, relaxation training, graded task assignment, exposure hierarchies/ systematic desensitization.

7. The resident will demonstrate understanding of the basic principles underlying the use of cognitive techniques including identifying automatic thoughts, cognitive restructuring, problem solving, advantage / disadvantages analyses, examining the evidence, thought recording, and modification of core beliefs.

8. The resident will demonstrate understanding of the ways in which rating scales are an integral part of cognitive behavioral therapy.

9. The resident will demonstrate understanding that continued education in cognitive behavioral therapy is necessary for further skill development.

B. Skills

1. The resident will be able to elicit data and conceptualize patients using the cognitive conceptualization framework.

2. The resident will be sensitive to the sociocultural, socioeconomic, educational issues that arise in the therapeutic relationship.

3. The resident will be open to audio or videotapes or direct observations of treatment sessions.

C. Attitudes

1. The resident will be empathetic, respectful, curious, open, nonjudgmental,

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collaborative, able to tolerate ambiguity and display confidence in the efficacy of psychodynamic psychotherapy.

2. The resident will be sensitive to the sociocultural, socioeconomic, educational issues that arise in the therapeutic relationship.

3. The resident will be open to audio or videotapes or direct observation of treatment sessions.

16) Outpatient Psychodynamic Psychotherapy Competencies PGY 3 And 4

A. Knowledge

1. The resident will demonstrate understanding of the models of psychodynamic psychotherapy.

2. The resident will demonstrate understanding of the clinical psychodynamic psychotherapy concepts of the unconscious, defense and resistance, transference and countertransference.

3. The resident will demonstrate understanding that symptoms, behaviors, motivations often have multiple complex meanings that may not be readily apparent.

4. The resident will demonstrate understanding of the influence of development through the life cycle on thoughts, feelings and behavior.

5. The resident will demonstrate understanding of the indications and contraindications for the psychiatric disorders and problems treated by psychodynamic psychotherapy.

6. The resident will demonstrate understanding that continued education in psychodynamic psychotherapy is necessary for further skill development.

B. Skills

1. The resident will be able to evaluate the capacity of the patient to engage in and utilize psychodynamic psychotherapy.

2. The resident will be able to display effective interpersonal skills in building and maintaining a collaborative therapeutic alliance that promotes self-reflection and inequity into the patient's inner life.

3. The resident will be able to establish with the patient treatment goals.

4. The resident will be able to establish with the patient a treatment frame.

5. The resident will be able to engage the patient in exploring his/her history of experiences, sociocultural influences, relationship patterns, coping mechanisms, fears,

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traumas and losses, hopes and wishes in order to understand the presenting problems.

6. The resident will be able to effectively listen to the patient to understand nuance, meanings, and indirect communications.

7. The resident will be able to recognize and identify affects in the patient and himself/herself.

8. The resident will be able to recognize, utilize and manage aspects of transference and countertransference, defense and resistance in the course of treatment.

9. The residents will be able to utilize self-reflection to learn about his/her own responses to patients to further the goals of the treatment.

10. The resident will utilize clarification and confrontation.

11. The resident will be able to utilize interpretation to manage transference / countertransference that impedes or disrupts the therapeutic process.

12. The resident will be able to manage and understand the meanings of termination.

13. The resident will be able to write a psychodynamic formulation

14. The resident will be able to seek appropriate consultation and/or referral for specialized treatment.

C. Attitudes

1. The resident will be empathetic, respectful, curious, open, nonjudgmental, collaborative, able to tolerate ambiguity and display confidence in the efficacy of psychodynamic psychotherapy.

2. The resident will be sensitive to the sociocultural, socioeconomic, educational issues that arise in the therapeutic relationship.

3. The resident will understand that treatment is integrated such that the individual components of combined psychotherapy and psychopharmacology constitute the whole treatment and are not divisible into independent parts.

4.The resident will be open to audio or videotapes or direct observation of treatment sessions.

17) Outpatient Supportive Therapy Competencies PGY 2, 3, And 4

A. Knowledge

1. The resident demonstrate knowledge that the principal objectives of supportive

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therapy are to maintain or improve the patient's self-esteem, minimize or prevent recurrence of symptoms, and to maximize the patient's adaptive capacities.

2. The resident will demonstrate understanding that the practice of supportive therapy is commonly utilized in many therapeutic encounters.

3. The resident will demonstrate knowledge that the patient-therapist relationship is of paramount importance.

4. The resident will demonstrate knowledge of indications and contraindications for supportive therapy.

5. The resident will demonstrate understanding that continued education in supportive is necessary for further skill development.

B. Skills

1. The resident will be able to establish and maintain a therapeutic alliance.

2. The resident will be able to establish treatment goals.

3. The resident will be able to interact in a direct and non-threatening manner.

4. The resident will be able to be responsive to the patient and give feedback and advice when appropriate.

5. The resident will be able to demonstrate the ability to understand the patient as a unique individual within his/her family, sociocultural and community structure.

6. The resident will be able to determine which interventions are in the best interest of the patient and exercise caution about basing interventions on his/her own beliefs and values.

7. The resident will be able to recognize and identify affects in the patient and himself/herself.

8. The resident will be able to confront, in a collaborative manner, behaviors that are dangerous or damaging to the patient.

9. The resident will be able to provide reassurance to reduce symptoms, improve morale and adaptation and prevent relapse.

10. The resident will be able to support, promote, and recognize the patient's ability to achieve goals that will promote his/her well-being.

11. The resident be able to provide strategies to manage problems with affect, regulation, through disorders, and impaired reality testing.

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12. The resident will be able to provide education and advice about the patient's psychiatric condition, treatment and adaptation while being sensitive to specific community systems of care and sociocultural issues.

13. The resident will be able to demonstrate that in the care of patients with chronic disorders attention.

14. The resident will be able to assist the patient in developing skills for self-assessment.

15. The resident will be able to seek appropriate consultation and/or referral for specialized treatment.

C. Attitudes

1. The resident will be empathic, respectful, curious, open, nonjudgmental, collaborative, able to tolerate ambiguity and display confidence in the efficacy of supportive therapy.

2. The resident will be sensitive to the sociocultural, educational issues that arise in the therapeutic relationship.

3. The resident will be open to audio or videotapes or direct observations of treatment sessions.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "B1" PSYCHIATRY TRAINING PROGRAM COMPENSATION

B1. PSYCHIATRY TRAINING PROGRAM COMPENSATION

BHRS shall compensate the KCHA in accordance with the following provisions:

A. BHRS directly contracts with UCLA for the Child and Adolescent Fellowship rotation

B. BHRS shall compensate KCHA for services provided via direct deposit or check as follows:

1. KCHA will be compensated for 50% of the Salary and associated benefits of the Chair of Psychiatry.

2. KCHA will be compensated for 50% of the salary and associated benefits of the Resident and Fellow Services as outlined in the Core Competency Practice Tables listed above.

3. Faculty time contributed to the Resident and Fellow training program will be reimbursed according to Benefits and Liability Matrix (Table 1).

4. KCHA and BHRS will split the Program Coordinator compensation and benefits at 50/50.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "B2" KERN MEDICAL – DEPARTMENT OF MEDICAL EDUCATION (CPR VI.F.1) CLINICAL AND EDUCATIONAL WORK HOURS POLICY

PSYCHIATRY TRAINING PROGRAM

Each training program must have a program-specific policy addressing clinical and educational work (duty) hours. Clinical and education work hours will be tracked in MedHub. It is the responsibility of each fellow and faculty member to ensure that he/she complies with his/her program's policy.

Programs should use MedHub to monitor fellow work hours. The program must design an effective program structure that is configured to provide fellows with educational opportunities as well as reasonable opportunities for rest and personal well-being.

Programs and Fellow have a shared responsibility to ensure that the 80-hour maximum weekly limit is not exceeded. While the requirement has been written with the intent of allowing fellows to remain beyond their scheduled work periods to care for a patient or participate in an educational activity, these additional hours must be accounted for in the allocated 80 hours when averaged over four weeks.

CPR VI.F.1.) Maximum Hours of Clinical and Educational Work per Week Clinical and educational work hours must be limited to no more than 80 hours per week, averaged over a four-week period, inclusive of all in-house clinical and educational activities, clinical work done from home, and all moonlighting.

Scheduling

While the ACGME acknowledges that, on rare occasions, a Fellow may work in excess of 80 hours in a given week, all programs and Fellows utilizing this flexibility will be required to adhere to the 80-hour maximum weekly limit when averaged over a four-week period. Programs that regularly schedule Fellows to work 80 hours per week and still permit Fellows to remain beyond their scheduled work period are likely to exceed the 80-hour maximum, which would not be in substantial compliance with the requirement. These programs should adjust schedules so that Fellows are scheduled to work fewer than 80 hours per week, which would allow Fellows to remain beyond their scheduled work period when needed without violating the 80-hour requirement. Programs may wish to consider using night float and/or making adjustments to the frequency of in-house call to ensure compliance with the 80-hour maximum weekly limit.

Oversight

With increased flexibility introduced into the Requirements, programs permitting this flexibility will need to account for the potential for Fellows to remain beyond their assigned work periods when developing schedules, to avoid exceeding the 80-hour maximum weekly limit, averaged over four weeks. The ACGME Review Committees will strictly monitor and enforce compliance

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with the 80-hour requirement. Where violations of the 80-hour requirement are identified, programs will be subject to citation and at risk for an adverse accreditation action.

Work from Home

While the requirement specifies that clinical work done from home must be counted toward the 80-hour maximum weekly limit, the expectation remains that scheduling be structured so that Fellows are able to complete most work on site during scheduled clinical work hours without requiring them to take work home. The new requirements acknowledge the changing landscape of medicine, including electronic health records, and the resulting increase in the amount of work Fellows choose to do from home. The requirement provides flexibility for Fellows to do this while ensuring that the time spent by Fellows completing clinical work from home is accomplished within the 80-hour weekly maximum. Types of work from home that must be counted include using an electronic health record and taking calls from home. Reading done in preparation for the following day's cases, studying, and research done from home do not count toward the 80 hours. Fellow decisions to leave the hospital before their clinical work has been completed and to finish that work later from home should be made in consultation with the Fellow's supervisor. In such circumstances, Fellows should be mindful of their professional responsibility to complete work in a timely manner and to maintain patient confidentiality

Policy Information

Fellows may not have the experience to make decisions about when it is appropriate to utilize flexibility or may feel pressured to use it when unnecessary. Programs are responsible for ensuring that Fellows are provided with manageable workloads that can be accomplished during scheduled work hours. This includes ensuring that a Fellow's assigned direct patient load is manageable, that Fellows have appropriate support from their clinical teams, and that Fellows are not overburdened with clerical work and/or other non-physician duties.

Fellows must be provided with 1 day in 7 free from all educational and clinical responsibilities, averaged over a 4-week period, inclusive of call. One day is defined as one continuous 24-hour period free from all clinical, educational, and administrative activities. At home call cannot be assigned on these free days.

Programs must schedule Fellows for fewer than 80 hours weekly in order to accommodate need for flexibility for responding to patient care and to ensure compliance with the 80-hour maximum.

Adequate time for rest and personal activities must be provided. Fellows should have 8 hours off between scheduled clinical work and education periods. There may be circumstances when Fellows choose to stay to care for their patients or return to the hospital with fewer than 8 hours free of clinical experience and education. This must occur within the context of the 80-hour and the one-day-off-in-seven requirements.

Fellows must have at least 14 hours free of clinical work and education after 24 hours of in-house call.

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Maximum Clinical Work and Education Period Length

Clinical and education work periods for Fellows must not exceed 24 hours of continuous scheduled clinical assignments. Up to four hours of additional time may be used for activities related to patient safety, such as providing effective transitions of care, and/or Fellow education. Additional patient care responsibilities must not be assigned to a Fellow during this time.

Fellows should have eight hours off between scheduled clinical work and education periods. There may be circumstances when Fellows and fellows choose to stay to care for their patients or return to the hospital with fewer than eight hours free of clinical experience and education. This must occur within the context of the 80-hour and the one-day-off-in seven requirements. Fellows and fellows must have at least 14 hours free of clinical work and education after 24 hours of in-house call. Fellows must be scheduled for a minimum of one day in seven free of clinical work and required education (when averaged over four weeks).

At-home call cannot be assigned on these free days. Clinical and educational work periods for fellows must not exceed 24 hours of continuous scheduled clinical assignments. Up to four hours of additional time may be used for activities related to patient safety, such as providing effective transitions of care, and/or trainee education. In rare circumstances, after handing off all other responsibilities, a fellow, on his/her own initiative, may elect to remain or return to the clinical site in the following circumstances: to continue to provide care to a single severely ill or unstable patient; humanistic attention to the needs of a patient or family; or to attend unique educational events. These additional hours of care or education will be counted toward the 80-hour weekly limit. Night float must occur within the context of the 80-hour and one-day-off-in-seven requirements. The maximum number of consecutive weeks of night float, and maximum number of months of night float per year may be further specified by each ACGME Review Committee.

Fellows must be scheduled for in-house call no more frequently than every third night (when averaged over a four-week period). Time spent on patient care activities by fellows on at-home call must count toward the 80-hour maximum weekly limit. The frequency of at-home call is not subject to every third-night limitation, but must satisfy the requirement for one day in seven free of clinical work and education, when averaged over four weeks. At-home call must not be so frequent or taxing as to preclude rest or reasonable personal time for each Fellow. Fellows are permitted to return to the hospital while on at-home call to provide direct care for new or established patients. These hours of inpatient patient care must be included in the 80-hour maximum weekly limit. An ACGME Review Committee may grant rotation-specific exceptions for up to 10 percent or a maximum of 88 clinical and educational work hours to individual programs based on a sound educational rationale. In preparing a request for an exception, the program director must follow the clinical and educational work hour exception policy from the ACGME Manual of Policies and Procedures. Prior to submitting the request to the Review Committee, the program director must obtain approval from the GMEC and DIO.

Concerns of work hour violations should be reported to the Program Director/Associate Program Director, or the GME Office 661-326-5657.

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Rest periods of 8 hours are required between shifts. As work hour violations are noted, the Program Director will discuss the circumstances of the violation within 72 hours of the violation. Circumstances that led to the violation will be used to determine what changes must be made in the structure of each rotation's responsibilities and duties.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "B3" KERN MEDICAL - DEPARTMENT OF MEDICAL EDUCATION3 FELLOW SUPERVISION POLICY

PSYCHIATRY TRAINING PROGRAM

FACULTY OVERSIGHT

The GMEC is responsible for providing oversight to residency programs to ensure that Fellows are appropriately supervised.

- Fellows will be supervised by teaching faculty in a manner fostering progressively increasing responsibility according to their level of education, ability, and experience.
- On-call schedules for teaching faculty are structured to ensure that supervision is readily available to Fellows on duty, as the teaching faculty must determine the level of responsibility accorded to each Fellow as stated under the Supervision of Procedural Competency.
- Each residency program establishes policies on the supervision of Fellows through explicit written descriptions of supervisory lines of responsibility for the care of patients. Such guidelines are communicated to all members of the program's teaching faculty and to Fellows by the Program Director.

SUPERVISION OF PROCEDURAL COMPETENCY

Fellows must be instructed and evaluated in procedural techniques by a licensed independent practitioner, i.e. attending physician, who is certified by their training Program Director as competent to independently perform that procedure or who has been credentialed by Kern Medical to perform that procedure.

The Program Director is responsible for identifying the number of procedures, which must be completed successfully prior to the Fellow receiving the designation of competence in that procedure. For procedures performed by Fellows in multiple departments, there should be uniform policy for the minimum number of procedures necessary to achieve competence.

FACULTY SUPERVISION OF FELLOW INPATIENT CARE

Inpatient care supervision of Fellows by the teaching faculty includes the following:

- A faculty physician is always on-call with a Fellow. There is a faculty physician available in obstetrics and gynecology and the emergency department 24 hours a day. The faculty is available to the Fellow to discuss cases seen in the emergency department, as well as complicated problems in the hospital. If needed, faculty physicians in the department will come to the hospital or to the emergency department to evaluate the patient with the Fellow. A call schedule is made on a regular basis listing which faculty physicians are on-call.
- The assigned teaching faculty, which may include the Program Director, conducts regular morning rounds daily on all hospitalized patients to discuss their management, referral,

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and discharge as well as provide structured didactic discussion of challenging patient cases.

DOCUMENTATION OF FACULTY SUPERVISION FOR INPATIENT CARE

The documentation of inpatient care supervision includes the following:

- The supervising teaching faculty's name is available on a regular schedule or roster for service rotations and night/emergency call.
- The supervising teaching faculty's name is placed in the medical record at the time of admission.
- A daily faculty note is written in the chart of patients in the hospital.
- Each department has its own documentation requirements for Fellows.

FACULTY SUPERVISION FOR AMBULATORY PATIENT CARE

Please refer to your individual department for additional information about ambulatory patient care policies. In general:

- The teaching faculty is personally present at the clinic.
- The teaching faculty is personally available for consultation and guidance.
- PGY-1 Fellows are required to present their work to the teaching faculty.
- The teaching faculty may review other Fellows as appropriate and write a confirmatory note.
- Chart audit may be used to confirm the process of supervision.

HANDLING CRITICAL INSTANCES OF BREAKDOWN OF SUPERVISION

When the institution becomes aware of critical instances of breakdown of supervision, the plan for response is as follows:

- Notice of breakdown of supervision may be brought to the attention of the Fellow's Program Director. The responsible medical staff chair/Program Director is requested to investigate the incident and resolve the issue.
- When a documented incident involving a serious breakdown of supervision is identified, the DME/DIO instructs the department chair to convene a conference of the teaching faculty and Fellows. They can identify the factors which have produced the problem, discuss methods by which similar future events may be avoided, and identify specific remedies for correction of the supervisory process.

  The DME/DIO will provide final decisions in the event that a faculty member is repetitively involved with a lack of supervision.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "C" CRISIS SERVICES DESCRIPTION OF STANDARDS AND SERVICES

I. DESCRIPTION OF KCHA SERVICES

1) KCHA is a designated entity to provide involuntary care under Section 5150 of the California Welfare and Institutions Code (W&I) otherwise known as the Lanterman-Petris-Short Act (LPS). KCHA shall:

A. Comply with all California Department of Health Care Services (DHCS) requirements including but not limited to licensure, certification, and designation.

B. Comply with all applicable federal, state, and local requirements in providing services, including but not limited to:

1. The Joint Commission,

2. Emergency Medical Treatment and Active Labor Act (EMTALA),

3. California Code of Regulations (CCR) Title 9,

4. CCR Title 22, Code of Federal Regulations (CFR) Title 42, federal and state billing requirements including Medicare and Medi-Cal regulations

5. Health Insurance Portability and Accountability Act (HIPAA),

6. Equal Employment Opportunity Commission (EEOC),

7. Fair Employment and Housing Act (FEHA), and

8. Cal-Occupational Safety and Health Administration (OSHA).

2) KCHA shall meet with BHRS Crisis Administration prior to changing or adjusting policies or procedures to discuss and agree upon proposed changes or adjustments in policies or procedures which may affect the operations of BHRS.

3) KCHA shall maintain and monitor all necessary professional staff licensure.

The provider directory shall list all persons who are licensed, waivered, or registered; this list shall include the name, title, professional degree, license number, NPI number (if applicable), and status of cultural compliance training requirements of each such person.

4) KCHA shall maintain twenty-four (24) available beds in the Behavioral Health Unit (BHU). The KCHA BHU Medical Director or designee shall ensure notification to the Joint Chair of Psychiatry and the BHRS Crisis Services Administrator or designee of any variance from this number and of the reasons for the variance, as soon as the variance occurs.

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A. In the event that the KCHA BHU bed census does not return to twenty-four (24) bed capacity within two calendar (2) days, KCHA designee shall again notify the BHRS designee, which notification shall trigger, if necessary, an emergency meeting for the purpose of resolving the decrease in beds as quickly as possible.

The emergency meeting shall include the Joint Chair of Psychiatry or designee, the KCHA BHU Medical Director or designee, the KCHA Behavioral Health Administrator, the KCHA BHU Clinical Director, the BHRS Crisis Services Administrator or designee, the BHRS PEC-CSU Supervisor or designee, and others as needed. The emergency meeting shall be held within one (1) business day of notification and may be conducted via teleconference or face-to-face.

B. KCHA BHU bed availability shall be determined by the KCHA House Supervisor and KCHA BHU Director collaboratively. In the event that KCHA is impacted with patients requiring BHU services, KCHA will collaborate with the Transfer Resource Center (TRC) to determine priority admission and transfer of patients from either KCHA med/surg floor, the emergency department, or BHRS's PEC unit.

5) KCHA recognizes BHRS, as the Mental Health Plan (MHP) provider, who oversees the Lanterman-Petris-Short Act (LPS) designation of the KCHA.

A. KCHA further recognizes BHRS who oversees the Psychiatric Evaluation Center-Crisis Stabilization Unit (PEC-CSU) as a California State designated stand-alone unit operating under the BHRS Tax Identification Number.

6) KCHA, in compliance with HIPAA and 42 CFR, shall provide services for voluntary and involuntary individuals admitted with behavioral health challenges as follows:

A. Provide therapeutic and/or rehabilitative inpatient services. The program shall provide services to improve an individual's ability to function in the community by addressing and ameliorating the individual's acute needs through an acute stabilization treatment model focused on precipitating events.

B. Coordinate services provided by the therapeutic and/or rehabilitative inpatient services program, with the Outpatient Specialty Mental Health Service Providers, Crisis Case Management Outreach (CCMO) and/or the Care Coordination Unit (CCU) to assist in a seamless discharge to the least restrictive level of care that can successfully meet the individual's needs.

C. Provide accurate HIPAA compliant census notification daily by 9:00 a.m. to the Crisis Services Administrator's designee for distribution to the appropriate outpatient provider.

D. Manage an acute stabilization treatment model, which provides an individualized treatment system based on the following premises and Description of Services:

1. The primary treatment goal is the reduction of the acute symptomology that led to the medical necessity of the inpatient admission.

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2. Psychiatric Nursing and other services shall include monitoring and evaluation of the quality and appropriateness of care and resolving identified problems.

3. Social Services shall be designed to meet the objective of each individual's IDT plan.

4. The primary goal of Rehabilitation Services is to restore, establish and maintain optimum levels of social, vocational and physical functioning, and to minimize residual disabilities.

5. The plan of care of each patient will be reviewed by the BHU team daily.

6. Discharge planning shall be an on-going process that begins at the moment of admission. Through the Daily Treatment Focus (DTF) and Inter-Disciplinary Treatment (IDT) processes, the individual shall be involved in the decision-making process.

i. Inpatient liaisons and/or BHRS designee shall be included in the DTF and IDT processes.

ii. Upon the approval of the individual, the support system shall be involved in the decision-making process and discharge planning.

iii. Treatment issues needing further services are identified and coordinated with the outpatient specialty mental health and community service provider. Coordination is to include, but is not limited to, assistance with linkage to outpatient community referrals and resources.

iv. Ensure that treatment plans address goals for inpatient treatment and plans for reintegration of the patient into the community setting.

v. The acute stabilization treatment program, based on the Recovery Model, shall provide an individualized intensive daily schedule of treatment services in addition to individualized treatment. Each individual's involvement in the programmed services shall be based on his/her condition at the time the service is provided with the premise that the individual shall be prompted to participate and placed in programmed services as quickly as possible. Participation in the programmed or individualized components of the intensive daily schedule of treatment services shall be strongly encouraged on a daily basis. Staff shall be trained in and provide the following programmatic or individualized components, which may include, but are not limited to, the following, if applicable:

a. Assessment and Evaluation

b. Psychopharmacology

c. Scheduled and collaborative meetings to assist in the treatment and placement/discharge planning needs of the individual (IDTs)

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d. Positive Behavioral Interventions, Skill Development, and Support

e. Relapse Prevention

f. Individual and Group Therapy, including but not limited to; Dialectical Behavioral Therapy (DBT), Cognitive Behavioral Therapy (CBT), ASIST, Motivational Interviewing, Seeking Safety, and other evidence-based practices as clinically appropriate.

g. Family Services

h. Therapeutic Treatment Milieu

i. Psycho-Education Services

j. Social, Recreational and Physical Exercise Rehabilitation

k. Behavioral Programming and Plans

l. Assistance with financial, housing and community resource/access problems.

E. For managing mental health challenges that would traditionally be responded to by seclusion and physical restraints, KCHA will attempt to first use approved Non-Violent Crisis Intervention techniques. Seclusion or restraint shall be used only when less restrictive interventions have been determined to be ineffective to protect the individual, staff, or others from harm.

1. Centers for Medicare and Medicaid Services (CMS) guidelines and Joint Commission requirements shall be followed and incorporated into the program's policies and procedures.

2. All clinical staff assigned to the KCHA BHU must maintain certification in an approved crisis intervention model such as PRO-ACT, CPI, Aegis, or Therapeutic Options.

3. Physicians and all staff members shall be familiar with the types of restraints used and how to appropriately apply, monitor, and assess potential bodily injury that might result from application of the restraints.

4. Audio and video monitoring are permissible in the BHU; however, video recording requires written consent from the patient prior to use.

5. Following any physical intervention, a mandatory debriefing with staff shall occur prior to the end of their work shift. Debriefing of the involved individual shall occur as quickly as is therapeutically appropriate.

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a. Debriefing of staff shall include, but is not limited to, identifying opportunities for early intervention that may have been utilized in lieu of physical intervention, reviewing positive aspects of the intervention as well as past effective interventions and Best Practice intervention strategies, identifying areas for improvement, and enhancing team collaboration and communication.

6. All individuals have the right to be free from restraint or seclusion, of any form, imposed as a means of coercion, discipline, convenience, or retaliation by staff.

7. Seclusion and restraint rooms shall be clean and free from hazards that might pose a danger to individuals confined within them.

8. A face-to-face assessment by the Physician for individuals in restraints is required no later than one (1) hour after initiation of restraint.

9. Seclusion and restraint must be discontinued at the earliest possible time.

10. Beds in the restraint room shall be securely bolted to the floor.

11. Individuals in seclusion and restraints shall be monitored via direct line of sight and/or using cameras as required.

F. Comply with the following Standards of Service

1. The following standards, if not followed, are grounds for denial of reimbursement for some or all of the KCHA BHU services:

2. There shall be a face-to-face evaluation by a psychiatrist of all individuals within twenty-four (24) hours of admission. Medical necessity, in accordance with CCR Title 9 and DHCS standards, must be established for any individual admitted for psychiatric inpatient services. To support medical necessity, the psychiatrist's evaluation must include at least the following:

i. a mental status exam,

ii. onset of illness,

iii. chief complaint,

iv. the circumstances that led to the services.

3. There shall be a note, within twenty-four (24) hours of admission and each day thereafter, by the attending physician that explains continuing medical necessity and the means used to decrease the medical necessity, including, but not limited to:

i. current symptoms,

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ii. response to treatment,

iii. the rationale for modifications or no modifications of the course of treatment or treatment plan.

4. The Nursing Evaluation shall be completed within eight (8) hours of admission and the Psychosocial Evaluation shall be completed within thirty-six (36) hours of admission or as soon as reasonably possible with the extenuating circumstances documented daily until completed. Because this information is required for the treatment planning process, failure to complete these evaluations within the required time frames shall result in denial of reimbursement for the first day of the inpatient stay and subsequent days wherein the evaluations are not completed.

5. There shall be a History and Physical (H&P) examination for every individual within twenty-four (24) hours of admission to the BHU, or when identified as psychiatric primary on a medical floor in accordance with CCR Title 22 regulatory requirements.

i. Examinations may include, but not be limited to:

a. Systems review and list of all current medical conditions

b. Summary of medical history

c. Complete blood count

d. Urinalysis

e. Urine drug screen

f. Liver/kidney function tests

g. Electrolytes

h. Thyroid function test

i. Pregnancy test (when indicated)

ii. If the individual refuses any of the above medical procedures, refusal shall be documented in the individual's chart.

6.Laboratory tests for therapeutic medication levels shall be ordered within standards and treatment adjusted accordingly.

7. Documentation of medical necessity shall be consistent by all disciplines and shall meet DHCS standards. Daily documentation concerning medical necessity, written by licensed, registered or waivered (pre-licensed) mental health professionals, must include a description of supporting evidence to justify the medical necessity statement. When the Psychiatric Evaluation includes the components of a daily progress note, the need for a

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progress note for that day is eliminated.

8. To reduce acute symptomology and extended length of stay, after the first twenty-four (24) hours or next Court business day an individual who lacks capacity refuses prescribed psychiatric medications, the process for a Riese/Capacity hearing shall be initiated and documented in the medical record.

a. If a decision not to do so is made, an explanation shall be clearly documented in the medical record by the KCHA BHU physician. In this case, BHRS Crisis Services Inpatient Supervisor shall be notified by KCHA BHU Administration, and it is recommended that KCHA BHU Administrators shall be notified.

   If the Riese/Capacity process is not initiated and the KCHA BHU physician's explanation is not included in the medical record, reimbursement for inpatient days may be denied beginning with the date of first medication refusal until the date a Riese/Capacity hearing is initiated.

9. After an appropriate case review, should it be determined there was a delay in treatment or discharge planning caused by KCHA BHU resulting in an increased length of stay, those days shall be denied.

10. Administrative Day Services shall be authorized by the MHP when, due to a lack of residential placement options at appropriate, non-acute treatment facilities, the individual's stay at KCHA BHU must be continued beyond the need for acute psychiatric or medical inpatient hospitalization. KCHA shall document a minimum of five (5) attempts per week to secure appropriate placement for the individual. Reimbursement for Administrative Days shall be determined by the State through the TAR process or Concurrent review upon state mandated implementation.

11. At the practitioner’s discretion, discharge medications totaling thirty days shall be called to the individual’s pharmacy. Prescriptions may be written for medications to be dispensed on a weekly or other basis over a 30-day period if there are safety concerns related to quantity.

a. Instances when a 30-day prescription is not prescribed (i.e. a medication may be titrated prior to being discontinued) shall be clearly documented by the physician. KCHA shall assure that all prescriptions are covered under the individual’s insurance. Should the individual be without benefits, KCHA shall obtain authorization through the County Authorization Unit and shall utilize only specified county contracted pharmacies.

12. The following are standards that, if not followed, are grounds for requiring a plan of correction to assure the standards shall be met:

a. If concerns arise about the appropriateness of an admission within the criteria of the Medical Care Matrix that was in effect at the time of the admission for KCHA BHU, KCHA BHU shall initiate a physician-to-physician discussion to attempt to

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resolve the concern before a determination to refuse admission is made. Following the physician-to-physician discussion, all denials for admission shall immediately be forwarded to both the KCHA BHU Medical Director, BH Administration and Clinical Director and to BHRS Administration for review.

b. Evaluations as to the need for psychiatric inpatient services shall address acute needs related to life functioning deficits and must explain the circumstances that led to the need for services. KCHA BHU intake assessments must also define proposed goals for services. KCHA BHU is responsible to assure that this information is included in the individual medical record and is available through the subsequent DTF or IDT to assist in the aftercare placement/discharge planning process.

c. KCHA BHU staff shall check the BHRS's electronic health records (EHR) system for Red Flags and other treatment information relevant to the individual's care to assure that any special plan of care for the individual being evaluated is addressed.

d. KCHA BHU shall publish the prearranged time slot for IDT meetings to discuss each individual's condition, readiness for discharge, placement planning, and to update the treatment plan. The initial IDT shall be scheduled within seventy-two (72) hours (excluding weekends and holidays) of admission and shall be scheduled on at least a weekly basis thereafter. Time slots shall be specific to each individual. The attending physician or designee shall attend Special IDTs.

e. KCHA BHU shall schedule a DTF meeting Monday through Friday to discuss each individual's condition, readiness for discharge, placement planning, and to update the treatment plan. Scheduled DTFs shall include the treating Physician, Nursing, Social Services, UR staff and other treatment staff as appropriate.

f. When an individual arrives for intake and is eligible for Medi-Cal benefits, KCHA BHU shall initiate the Medi-Cal application. KCHA BHU shall provide documentation verifying contact.

g. KCHA BHU staff shall complete an accurate electronic health record financial review form for each individual at the time of intake or as soon as possible thereafter, regardless of funding or benefits.

h. KCHA BHU staff shall verify benefit coverage at the beginning of each month for those individuals whose psychiatric treatment stay crosses over into another month.

i. Any identified medical problem or abnormal laboratory result shall be addressed through consultation and follow up appointment as appropriate.

j. Documentation shall include IDT plan review and modifications as frequently as the individual's condition warrants.

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k. Documentation of current outpatient medications or reasonable attempts to obtain such documentation shall be included in the KCHA BHU record. KCHA BHU and outpatient specialty mental health services medical staff shall work in conjunction with each other to ensure continuity in care.

l. KCHA BHU shall document all efforts to obtain medication consents in a good faith effort to begin medication therapy to avoid a delay in treatment.

m. KCHA BHU shall document evidence that individual's support system has been involved, or has been invited to be involved, in the treatment process as consented to by the individual.

n. KCHA BHU shall document reasonable continued efforts to involve the individual in daily program participation when the individual refuses to attend programming.

o. KCHA BHU shall receive the BHRS Inpatient Notification Form from the BHRS team. The Inpatient Notification Form includes recent treatment information relevant to the individual's care. If unable to obtain the BHRS Inpatient Notification Form, there must be evidence that ongoing attempts were made to acquire the information in an effort to increase continuity and appropriateness of care.

p. KCHA BHU shall provide Early Periodic Screening, Diagnosis and Treatment (EPSDT) and Therapeutic Behavioral Services (TBS) literature at discharge to all individuals who may qualify for these services.

q. The attending psychiatrist shall write discharge summaries no later than fourteen (14) calendar days of discharge from the KCHA BHU.

r. KCHA BHU's utilization review staff shall monitor practices and procedures to assure that all staff from all disciplines evaluate and document with consistent standards so the treatment team has consistent information with which to plan treatment in a culturally competent fashion. Documentation shall be written per DHCS standards.

s. KCHA BHU shall scan the KCHA BHU transfer discharge form, transition discharge plan, discharge medication list, psychiatric evaluation and documentation of any laboratory tests performed, into the individual electronic health care record within twenty-four (24) hours of discharge on the next business day.

t. KCHA BHU will complete registration, opening to the program and financial information in BHRS's EHR within 12 hours of the day the client is admitted.

    a. KCHA will also enter an updated demographic and diagnostic review form into EHR within twenty-four (24) hours of discharge or on the next business day.

u. BHRS shall evaluate KCHA BHU's performance, through chart reviews to

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determine the presence of medical necessity and compliance with State and Federal laws and regulations.

v. Handwritten documentation shall be legible.

w. KCHA BHU shall use the assigned program designation in BHRS's EHR when documenting services provided at 1700 Mount Vernon Avenue, Bakersfield, California 93306.

x. KCHA BHU shall adhere to the BHRS's Problem Resolution Process

13. Reimbursement for Medi-Cal insured Individuals and Uninsured Individuals:

i. KCHA BHU shall provide written notification to the BHRS Authorizations Unit, within twenty-four (24) hours of admission, when a Kern County Medi-Cal beneficiary or uninsured individual has been hospitalized for psychiatric inpatient services. A request for payment for Kern County Medi-Cal beneficiaries may be denied if the notification is not submitted within this timeframe.

ii. Treatment authorizations will either be completed through a Retrospective or Concurrent TAR Review process as determined by state regulations. Concurrent Review: BHRS or assigned designee shall conduct concurrent review of treatment authorizations commencing within 72 hours of initial notification of admission/request for authorization and for each day of continued stay. BHRS or assigned designee may elect to initially authorize multiple psychiatric inpatient hospital days but each day of service for Medi-Cal reimbursement must meet medical necessity criteria, per Title IX, section 1820.205., regardless of the legal status of the individual.

iii. KCHA BHU shall submit a Treatment Authorization Request (TAR) to the BHRS Authorization Unit within fourteen (14) days following the discharge of a Kern County Medi-Cal beneficiary or uninsured individual. A request for payment may be denied for Kern County Medi-Cal beneficiaries if the request is not submitted within this timeframe. KCHA will provide BHRS concurrent reviewers electronic access to view medical records. Should electronic access not be possible due to prolonged outage greater than 48 hours, a copy of the complete medical record shall be submitted with the completed TAR or as instructed by California State mandated Concurrent Review requirements.

iv. KCHA BHU shall meet medical necessity criteria set forth in California Code of Regulations Title 9 (CCR Title 9), Section 1820.205 for each day an individual is hospitalized and shall meet Standards of Service as set forth in Exhibit C. Medical record documentation shall meet CCR Title 9 and DHCS standards.

v. KCHA BHU shall, for the submission of a TAR exceeding 100 days: submit a TAR for the first 99 days and then submit a separate TAR for the one hundredth day and beyond

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or as instructed by California State mandated Concurrent Review requirements.

vi. KCHA BHU agrees that the BHRS Authorization Unit shall follow authorization procedures set forth in CCR Title 9, Section 1820.220, and BHRS System of Care Manual of Policies and Procedures, Section 5.1.19, Treatment Authorization Requests in processing TARs received from KCHA BHU or as instructed by California State mandated Concurrent Review requirements.

14. Additional Training Requirements

ii. KCHA BHU shall train relevant clinical staff on access to Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) services and Therapeutic Behavioral Services (TBS) services.
iii. KCHA BHU will comply with any training requirements of DHCS related to operating a BHU.

II. CERTIFICATION REVIEW AND MEDICATION CAPACITY HEARINGS

1) Certification Review Hearings

A. Notice of Certification

1. Inpatient Facility Designated Staff Duties:

i. Sign the required notice of certification, per required signatures as indicated on the petition

ii. On the same day, deliver a copy of the notice of certification to the patient certified.

iii. At the time of delivery, inform the patient certified that he or she is entitled to a certification review hearing, to be held within four calendar (4) days of the date on which the patient is certified for a period of intensive treatment unless judicial review is requested, to determine whether or not probable cause exists to detain the patient for intensive treatment related to the mental disorder.

iv. On each day the facility is scheduled for hearings (each facility has a designated schedule) the facility's designated staff will notify the Patients' Rights Advocate Office and the assigned hearing officer, of the number of patients that received a notice of certification.

2) Certification Review Hearing

A. Inpatient Facility Social Services Staff Duties:

1. Provide any interpretive services as needed for the hearing and for the pre-hearing preparation with the Patients' Rights Advocate and patient.

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i. Review patient records and psychiatric treatment recommendations related to criteria described in Welfare & Institutions Code, Div. 5, Part I, Ch. 2, Article 4 for Certification for Intensive Treatment.

ii. Present evidence on behalf of the treating psychiatrist in support of the criteria described in Welfare & Institutions Code, Div. 5, Part I, Ch. 2, Article 4 for Certification for Intensive Treatment.

iii. At the conclusion of the certification review hearing, provide the Patients' Rights Advocate with a copy of the certification review Minute Order, and file any request for a Writ of Habeas Corpus.

iv. Coordinate any discharge or treatment plans for a patient determined by the hearing officer to either remain in intensive treatment or be discharged to the community.

3) Capacity (Riese) Hearings

A. Medication Capacity Petition

1. Inpatient Facility Designated Staff Duties:

i. Complete the Medication Capacity Petition as indicated above in Exhibit C Section F.8.a-b.

ii. Contact the Clerk of the Court via telephone during business hours to provide the Court with the name of the patient and to obtain the case number.

iii. Place the case number on the petition and the proposed order. A capacity hearing will be heard only after a case number is provided by the clerk.

iv. Serve a completed copy of the petition in person to the patient.

v. Deliver a completed copy of the petition to the Patients' Rights Office via secure encrypted email.

vi. If the Patients' Rights Office is unable to schedule a Judge Pro Tempore within 48 hours of the request, then a hearing at Kern County Superior Court may be scheduled. The facility must make all attempts to utilize the Judge Pro Tempore Hearing Officer system.

vii. If the patient has additionally filed for a Writ of Habeas Corpus, the Kern County Superior Court will allow for both the Writ and the Capacity hearing petition to be heard simultaneously by a Kern County Superior Court judge sitting at the Juvenile Justice Center.

viii. When the capacity hearing is heard by a Kern County Superior Court Judge at the

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Juvenile Justice Center, the facility will contact County Counsel via secure encrypted email or send the referral to County Counsel, who will coordinate the scheduling of the hearing with the court.

B. Inpatient Social Services Staff Duties:

1. Ensure that the patient is available for transportation to the hearing, unless the patient has waived his or her presence or the hearing is taking place at KMNC. If the patient does not wish to appear, then the refusal to appear will be considered as a waiver of appearance.

2. Close the hearing to all but necessary participants. Provide any interpretation services as needed for the hearing and for the pre- hearing preparation with the Patients' Rights Advocate and patient. The patient may expressly invite individuals, at the discretion of the Judge Pro Tempore, or the facility may have additional individuals present as permitted by the Judge Pro Tempore for safety reasons or training purposes.

3. Present to the Judge Pro Tempore its petition which includes the current treating physician's signature. An attending physician shall be a member of the facility staff who has personally discussed with the patient the prescribed treatment. The petition, signed under penalty of perjury, will serve as the facility's offer of proof. The petition will then be documented on the record by the parties when the capacity hearing begins. The petition will include statement(s) evidencing that the patient lacks the capacity to refuse the prescribed medication. Presentation of the petition will serve as the initial evidence for the facility.

4. At the conclusion of the patient's opposition presentation, if any, the facility shall have the opportunity for rebuttal. Evidence on rebuttal may include testimony, cross examination, and introduction of additional documentation.

5. At the conclusion of the hearing, deliver the original petition and signed order to Kern County Superior Court, Juvenile Justice Center, 2100 College Avenue, Bakersfield, CA 93305, within three (3) business days of the hearing. A copy of the petition and order will be placed in the patient's chart.

6. At the conclusion of the hearing, provide a copy of the signed order to the patient and Patients' Rights Advocate.

7. The facility may request a judicial review, also known as an appeal, following an adverse determination. All appeals will be heard via video conference in Department J4 at the Juvenile Justice Center of Kern County Superior Court, or alternatively in the facility where the patient is receiving treatment, within two (2) judicial days from the filing of an appeal.

III. Grievance and Appeal Process

1) Grievance and Appeal Process, formerly called the Problem Resolution Process- The grievance shall be reported as directed by the Patients' Rights Office following DHCS guidelines. Per DHCS, "Plan shall establish, implement, and maintain a grievance and appeal

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system to ensure the receipt, review, and resolution of grievance and appeals. The Grievance and Appeal system shall operate in accordance with all applicable federal regulations and plan contract requirements."

A. KCHA shall inform all patients receiving psychiatric services of the Mental Health Plan (MHP) Grievance and Appeal Process.

1. Grievance and Appeal forms shall be visible and made available to all patients receiving psychiatric services. Grievance information posters and forms shall also be displayed in a central location.

2. When a patient receiving psychiatric services makes a complaint verbally or in writing to the mental health provider, the provider shall inform the patient of the MHP Grievance and Appeal Process.

3. KCHA BHU shall forward any completed grievance or appeal forms and resolutions to the BHRS Patients' Rights Advocates Office (PRA) via the Grievance and Appeals web application within two (2) business days of receiving this information from the patient.

4.When a patient verbalizes a complaint about their inpatient psychiatric services, KCHA BHU will notify BHRS PRA via the Grievance and Appeals web application. Any forms submitted by an individual must be sealed and mailed to the PRA Office. In conjunction with KCHA BHU, the BHRS PRA Office shall assist the individual, if requested, with their complaint. Throughout this process, PRA shall have access to patient records. All requests for patient records will be made in writing and will be furnished to the PRA within a reasonable time period.

IV. PERFORMANCE MEASURES

1) Performance Measures

A. Patient Satisfaction Surveys shall indicate a goal of an overall satisfaction rating of 70% or above and shall be provided quarterly. Any results below 70% shall be reviewed in the joint Monthly Administrative meetings to identify plans for improvement.

B. The performance goal for recidivism for readmission shall be less than 25% within 30 days from the date of discharge and shall be reported quarterly. Any results below 25% shall be reviewed in the joint Monthly Administrative meetings to identify plans for improvement.

C. One hundred percent (100%) of charts for individuals who are readmitted within a 30-day period from the date of discharge shall be reviewed by KCHA BHU. All identified internal risk factors shall be discussed and resolved if possible. Outcomes shall be presented at the joint Monthly Administrative meeting between BHRS and KCHA BHU Administration. KCHA BHU

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Administration may request further information regarding the case post-discharge, which will be made available at BHRS's discretion.

V. DESCRIPTION OF BHRS CRISIS SERVICES

1) BHRS**,** as the Mental Health Plan (MHP) provider, shall conduct oversight with authority assigned to the BHRS Crisis Services Administrator or designee to ensure quality of care and compliance with Department of Health Care Services (DHCS) standards.

2) BHRS shall:

A. Comply with all California DHCS requirements including but not limited to licensure, certification, and designation.

B. Comply with all applicable federal, state, and local requirements in providing services, including but not limited to the California Code of Regulations (CCR) Title 9, CCR Title 22, Code of Federal Regulations (CFR) Title 42, federal and state billing requirements including Medicare and Medi- Cal regulations. Health Insurance Portability and Accountability Act (HIPAA), Equal Employment Opportunity Commission (EEOC), Fair Employment and Housing Act (FEHA), and Cal-Occupational Safety and Health Administration (OSHA).

C. Provide KCHA with Encounter Level Data Reports for care rendered to the uninsured population on a monthly basis for purposes of reporting to the Medi-Cal 2020 Global Payment Program (GPP).

3) BHRS shall recognize KCHA as the designated entity to provide involuntary care under Section W&I 5150 of the California Welfare and Institutions Code (WIC) otherwise known as the Lanterman-Petris-Short Act (LPS). KCHA shall:

A. Comply with all California Department of Health Care Services (DHCS) requirements including but not limited to licensure, certification, and designation.

B. Comply with all applicable federal, state, and local requirements in providing services, including but not limited to Joint Commission, Emergency Medical Treatment and Active Labor Act (EMTALA), California Code of Regulations (CCR) Title 9, CCR Title 22, Code of Federal Regulations (CFR) Title 42, federal and state billing requirements including Medicare and Medi-Cal regulations. Health Insurance Portability and Accountability Act (HIPAA), Equal Employment Opportunity Commission (EEOC), Fair Employment and Housing Act (FEHA), and Cal-Occupational Safety and Health Administration (OSHA).

4) BHRS shall maintain and monitor all necessary professional staff licensure. BHRS shall meet all the requirements made known to BHRS to allow staff to participate in and provide services, including, but not limited to, medical examinations, patients' rights functions, performance improvement activities, supervision, orientation, in-service education, and attendance at case conferences.

5) BHRS shall provide the following Crisis services:

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A. Crisis Services Administration

1. Psychiatric Evaluation Center-Crisis Stabilization Unit (PEC-CSU), including the Transfer Resource Center (TRC), and the Ridgecrest Crisis Stabilization Unit shall follow the processes set forth in the most recent revision of the Memorandum "Transfer Protocol from PEC-CSU to KCHA BHU", including but not limited to:

i. PEC-CSU and Ridgecrest CSU staff shall contact the KCHA House Supervisor to coordinate pending admissions to KCHA BHU.

ii. The PEC-CSU Transfer and Resource Coordinator (TRC) staff shall assist in providing linkage for individuals from the KCHA Emergency Department (ED), Medical Floor, or other non-BHU location to the KCHA BHU or other inpatient psychiatric facilities as appropriate.

iii. PEC-CSU shall receive individuals from the KCHA ED who require acute psychiatric services (after medical clearance) in accordance with the current revision of the Medical Care Matrix and/or the most recent revision of the BHRS Memorandum "Guidelines for Psychiatric Evaluation of Patients in the KCHA ED," currently dated June 28, 2019.

2. BHRS, through the Crisis Services Division, shall monitor services provided by KCHA BHU to:

i. Ensure clinically appropriate behavioral health care

ii. Ensure proper discharge planning and linkage to services

iii. Ensure collaboration between System of Care providers

iv. Ensure collaboration with community partners

v. Interface with KCHA BHU daily

vi. Support of patients' rights

vii. Provide oversight of:

a. Contract standards monitoring and compliance

b. Technical compliance

c. DHCS and/or BHRS Plans of Correction

d. Integration of Recovery-Based services

e. Inpatient Peer Service development

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3. The Mobile Evaluation Team (MET) provides crisis intervention and W&IC 5150 evaluations in the KCHA ED and Medical Floors by request. In the event a W&I 5150 certified doctor from KCHA is not available to provide the mental health intervention and/or W&IC 5150 evaluation, the Mobile Evaluation Team will respond and provide the service.

i. MET and PRA staff shall provide W&I 5150 Certification Training that is available to KCHA psychiatric physicians.

ii. Facilitation of Hospital-to-KCHA Transfer Process:

a. When MET has concluded that a W&IC 5150 involuntary hold is needed for an individual at a Hospital other than KCHA, and a medical condition precludes admission to the PEC-CSU, then:

1. MET shall contact the KCHA House Supervisor to initiate the admission process to KCHA BHU.

2. The sending Hospital shall contact the KCHA House Supervisor and provide additional required information.

3. The KCHA House Supervisor shall coordinate with KCHA BHU to determine whether to accept or deny the request for admission.

4. The KCHA House Supervisor shall inform the sending Hospital and MET of the decision to accept or deny the request for admission.

i. The sending Hospital and KCHA BHU shall perform the transfer process.
ii. If not accepted, a consult may be initiated by the sending hospital physician and the KCHA physician to satisfactorily resolve any remaining concerns.

4. BHRS CCMO liaisons shall:

i. Review KCHA BHU census and referrals on a daily (Monday-Friday) basis.

ii. Meet with individuals hospitalized in the KCHA BHU and Psych Primary on the Medical Floor with KCHA BHU staff within one (1) business day of receipt of referral to discuss services provided by BHRS. If the individual is receptive to services, CCMO staff shall advise and assist KCHA BHU staff to coordinate inclusion of BHRS services in the Discharge Plan. Other referral sources will be considered on a case by case basis.

iii. Inpatient liaisons shall attend scheduled Daily Treatment Focus (DTF) and Interdisciplinary Treatment (IDT) meetings.

5. BHRS Care Coordination Unit (CCU) shall monitor for appropriate referrals to lower

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level of care with Managed Care Plans' (Health Net, KHS, etc.) behavioral health services. CCU shall assist with referral process and linkage to Behavioral Health providers for those inpatient clients not meeting criteria for Specialty Mental Health services. CCU shall follow clients after hospital discharge until linkage is completed.

6. Authorizations/Treatment Authorization Requests (TAR): BHRS Authorization Unit shall follow authorization procedures set forth in CCR Title 9, Section 1820.220, and BHRS System of Care Manual of Policies and Procedures, Section 5.1.19, Treatment Authorization Requests in processing TARs received from the KCHA or as instructed by California State mandated Concurrent Review requirements.

i. Conduct monthly Utilization Review (UR) meetings, including oversight of the TAR process and documentation standards as required by DHCS

7. BHRS shall make daily contact with KCHA's Emergency Department (ED) to obtain a list of behavioral health clients currently admitted to the ED. BHRS staff will make reasonable efforts to meet with all behavioral health clients to determine the most appropriate treatment setting, discharge plan (when appropriate), and assist in providing linkage to the needed treatment level of care. BHRS staff will regularly meet with ED staff, social work staff, and the Consult & Liaison Team to ensure effective care and coordination.

B. Outpatient services:

1. BHRS outpatient teams and other contracted outpatient providers shall document in the BHRS Electronic Health Record (EHR, currently SmartCare) as required by BHRS policies and procedures.

2. The BHRS team or contracted team assigned to the individual who has been admitted to the KCHA BHU shall

i. Within twenty-four (24) hours of notification of admission, submit the BHRS Inpatient Notification Form to KCHA BHU.

ii. Conduct a face-to-face meeting with the individual at KCHA BHU, outside of the IDT, at a minimum of one (1) time per week, based on the needs of the individual.

iii. Re-open charts for individuals who received services from the BHRS System of Care within the prior twelve (12) month period, i.e., open "Warm Charts." BHRS shall follow guidelines as indicated in the BHRS Memorandum entitled "Return to Services". If the individual is not open to the current SOC, the individual shall be referred to the previous team as indicated by the "Return to Services" memo.

iv. Assist with discharge planning and placement during the IDT.

v. Ensure psychiatric follow-up has been scheduled within five (5) days of discharge in accordance with BHRS Policies and Procedures and/or Contractual requirements as appropriate.

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vi. Attend all IDT and Special IDTs as scheduled.

1) Complete an IESP form during the initial IDT and finalize by discharge.

2) During the IDT process, establish a transportation plan for the individual. Outpatient team representative will transport upon discharge unless there are extenuating circumstances prohibiting the transportation.
3) Complete the IDT Brown Form for Special IDTs.

vii. Assist with acquisition of Benefits may include but not limited to Medi-Cal Interim funding, Social Security, financial patch.

viii. Assist with designation of Payees if needed.

C. Substance Use Disorder (SUD) screening services shall be provided to individuals at KCHA as needed. Follow-up outpatient SUD services shall be made available to individuals as part of the discharge planning process, as appropriate. Individuals are referred by SUD Staff to specialty SUD treatment based on medical necessity criteria. BHRS SUD System of Care staff shall provide:

1. Screening and referral to SUD community-based services for individuals who are Medi-Cal funded or indigent, at the request of BHRS or KCHA.

2. Staff utilize the Screening Brief Intervention and Referral to Treatment (SBIRT) model to screen individuals both at KCHA.

3. Treatment referrals may include social model detoxification, residential treatment, intensive outpatient and/or outpatient treatment.

D. Recovery Support Services shall be provided as part of the discharge planning process, including, but not limited to, the Consumer Family Learning Center (CFLC) and Freise HOPE House.

E. Patients' Rights Services

1. Certification Review Hearings

i. Notice of Certification

a. The Patients' Rights Advocate (PRA) shall meet with each individual certified to discuss the commitment process and to assist each individual in preparing for the certification hearing, to answer questions or otherwise assist the individual as appropriate. The PRA shall also inform the individual of his or her rights, and request if the individual desires representation from the PRA.

❖ Certification Review Hearing Officer shall:

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- Determine whether the certification notice has been properly completed and served to the individual. Copies of the certification notice will be provided to his or her PRA.

- Determine whether the hearing is being held within four (4) days of certification. If not, then the facility shall notify the Crisis Services Administrator and the Office of Patient Rights and designees via email within twenty-four (24) hours via the Unusual Occurrence Report (UOR).

ii. Certification Review Hearing

❖ Certification Review Hearing Officer shall:

- Conduct the individual's certification review hearing.

- Electronically record proceedings. The hearing officer shall inform all parties of the electronic recording taking place. If objections are made by the individual or representative witness, a verbal statement to the objection shall be made and the respective individual's testimony shall be recorded in writing.

- At the conclusion of the certification review hearing, make a determination as to whether or not the individual certified is, as a result of a mental disorder is a danger to others, to himself or herself, or gravely disabled. The determination of the hearing officer should be given both verbally and in writing.

ii. PRA Duties:

❖ Provide and operate recording device for the hearing officer.

❖ Assist the individual in presenting evidence on his or her behalf, to ask questions of each person presenting evidence in support of the certification decision and make reasonable requests for the attendance of the facility employees who have knowledge of, or participated in, the certification decision.

❖ Secure all documents containing PHI in the lock box provided by BHRS.

❖ Store electronic hearing records onto the BHRS secured electronic drive (VPN-virtual private network), available by individual VPN number for designated individuals only. Designated individuals include the BHRS Director, Crisis Services Administrator, Kern Medical Behavioral Health Administrator, PRA Supervisor, County Counsel, and Inpatient Treatment Psychiatrists for review of their assigned patients' hearings. The recording shall be released only for purposes of patient rights investigations regarding the individual while he or she was treated for inpatient psychiatric care during the period of time that the hearing took place.

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2. Capacity (Riese) Hearings

i. Medication Capacity Petition

b. The PRA shall contact the available Judge Pro Tempore to schedule a time and date to hold the hearing within 48 hours of the filing and serving a copy of the petition to the individual.

c. The PRA shall verify with the individual that he or she received a copy of the petition. The PRA shall also inform the individual of his or her hearing rights, and request if the individual desires representation from the PRA in the hearing.

ii. Capacity (Riese) Hearing

d. PRA Duties:

- Provide and operate recording device for the hearing officer.
- After the facility provides the petition as the offer of proof to the Judge Pro Tempore at the beginning of the hearing on record, the individual or the Patients' Rights Advocate shall present his or her evidence to the Judge Pro Tempore. Evidence may include testimony, cross examination, and introduction of documentation. Cross-examination of the petitioner regarding declared statements made in the petition shall commence at this time.
- If the individual refuses representation by the PRA, the PRA shall announce such refusal on the record at the beginning of the hearing. At that time, the Judge Pro Tempore will question the individual under in re Conservatorship of Joel E. (2005) 132 Cal.
- To determine if the individual has capacity to represent his or herself.
- A determination of capacity to represent one's self is not a determination that one has the capacity to give or withhold consent to antipsychotic medication.
- Secure all documents containing PHI in the lock box provided by the BHRS Department.
- Store electronic hearing records onto the BHRS secured electronic drive (VPN-virtual private network), available by individual VPN number for designated individuals only. Designated individuals include the Mental Health Director, Crisis Services Administrator, PRA Supervisor, County Counsel, KCHA Behavioral Health Administrator and Inpatient Treatment Psychiatrists for review of their assigned patients' hearings. The recording will be released only for purposes of patient rights investigations regarding the individual while he or she was treated for inpatient psychiatric care during the period of time that the hearing took place.

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3. Access and Use of Hearing Recordings

i. Protected Storage

e. The PRA shall:

- Transport the recording device in a locked case, stored in a locked vehicle trunk to the BHRS Administration facility.
- Upload each hearing recording immediately following hearing sessions to the virtual private network.
- Place each hearing recording separately in the respective inpatient facility file by name, date, and individual represented.
- Erase entire recording once it is electronically stored.

❖ The BHRS Director's Office shall:

- Maintain oversight of the virtual private network.
- Provide an individual VPN number to designated personnel for access to the network for review of requested hearings.
- Release recordings only to the designated individuals (as described in Section II. E.2.ii) who have a right to review the recording for investigation regarding information shared in the respective individual's hearing.

ii. Access and Use

f. The BHRS Director's Office shall, upon written request by a designated individual (Section E.2.ii) for review of a specific hearing, provide access for the individual to the hearing via the electronic virtual private network hearing file within 10 working days of written request.

- Designated individuals shall:
  - Request to review specific hearing by facility name, date, and name of individual represented via secure encrypted email to the Mental Health Director's Senior Office Services Specialist, and include in the subject line, "Request for review of hearing recording"; in message box include hearing identifying information and reason for the review.
  - Review recording within 5 working days of receipt of recording access.
  - Inform the BHRS Director's Senior Office Services Specialist in writing when review is complete.

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iii. Training

g. The Patients' Rights Advocate shall:

- Provide Bi-Annual training to all KCHA BHU social service and medical treatment personnel in the LPS Intensive Treatment Certification Review mandates as described in Welfare & Institutions Code, Div. 5, Part I, Ch. 2, Article 4. Provide additional training and consultation as requested.

6. BHRS PEC-CSU shall provide services that follow the agreed upon protocols for the following:

A. KCHA Emergency Department (KCHA ED)

1. Per the most recent revision of BHRS Memorandum entitled, "Access to Medical Care, "currently dated June 1, 2016, PEC-CSU shall:

i. Upon receipt of the initiating phone call and patient medical clearance information from KCHA ED, the PEC-CSU shall accept or deny transfer of the individual to the PEC-CSU and advise the KCHA ED accordingly.

❖ Based primarily on the Medical Care Matrix, PEC-CSU staff shall accept transfer to the PEC-CSU. Request for direct admittance to the KCHA BHU or Medical Floor shall be requested by the PEC-CSU Supervisor to KCHA House Supervisor.

❖ If accepted for admittance to the PEC-CSU, the PEC-CSU shall triage, assess and admit the individual as appropriate within 2 hours unless on diversion, which refers to the routing of patients away from one facility to others or not receiving patients due to the facility being inaccessible, overcrowded, and understaffed. PEC-CSU staff will notify KCHA ED Charge Nurse whenever PEC-CSU goes on diversion and its underlying reason.

ii. PEC-CSU licensed medical staff shall perform a medical screening within the first hour of the arrival of an individual at the PEC-CSU:

❖ If it is determined by the licensed medical staff that the individual is not medically stable and requires medical treatment, then:

❖ PEC-CSU licensed medical staff in consultation with Physician shall notify the KCHA ED staff of the need for the transfer from PEC-CSU to KCHA ED.

- A physician-to-physician consult may be requested if necessary.

❖ The PEC-CSU staff shall facilitate the transfer of the individual to the KCHA ED.
❖ If it is determined by the KCHA ED licensed medical staff that the individual is medically stable, the PEC-CSU shall triage, assess and admit the individual as

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appropriate.

- ❖ For individuals receiving psych primary services on the KCHA Medical Floor, BHRS Crisis Services shall provide all services that are the standard of care on the KCHA BHU, including but not limited to those outlined below and detailed above:
  - Inpatient Supervisor services
  - CCMO services
  - Authorization Unit services
  - BHRS Outpatient Teams and Contract Provider Services
  - SUD services
  - Participation in the following processes as appropriate:
    - IDT
    - DTF
    - Hearing Processes
  - Additional services as appropriate.

7. BHRS Crisis Services shall provide oversight and supportive services to the KCHA BHU and psych primary on the medical floor as appropriate. Services shall include, but are not limited to:

A. Attendance at IDTs and DTFs as scheduled.

B. Collaborate with KCHA Social Services to assist with discharge planning.

C. Assistance with continuity of care, as permitted by HIPAA and 42 CFR, by providing relevant patient information as appropriate. Information provided may include, but is not limited to:

i. The IDT Information Sheet

ii. A current Medication Administration Record (MAR)

iii. Psychiatric evaluations and testing reports for BHRS individuals admitted as inpatients to the KCHA BHU.

D. Assistance with patient transportation at the time of discharge as appropriate.

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E. Assistance with linkage to outpatient and community-based services.

F. Access and linkage to long-term care facility placements.

G. Provision of patients' rights services.

H. Assistance with the Hearing Process as needed.

I. Initiate planned admissions to the Kern Medical BHU. Planned Admissions shall be authorized according to BHRS Manual of Policies and Procedures, Section 5.3.4, titles Planned Admission to the Kern County Mental Health Contracted Inpatient Facilities. Individuals shall meet medical necessity criteria for reimbursement of psychiatric inpatient hospital services as specified in CCR Title 9, Chapter 13, Section 1820.205.

VI. PROBLEM RESOLUTION PROCESS

1) Problem Resolution Process

A. BHRS Crisis Services staff maintain the following responsibilities of reporting grievances and appeals. Crisis Services shall inform all individuals receiving psychiatric services of the MHP Problem Resolution Process.

1. Grievance and Appeal forms shall be visible and available to all individuals receiving psychiatric services, so that they may access the forms independent of staff.

2. When an individual receiving psychiatric services makes a complaint verbally or in writing to the mental health provider, the provider shall inform the individual of the MHP Problem Resolution Process.

3. BHRS staff shall forward any received completed grievance or appeal forms to the BHRS PRA Office.

4. When an individual makes a complaint about their inpatient psychiatric services, BHRS staff will notify BHRS PRA Office. In conjunction with KCHA, the BHRS PRA Office shall assist the individual with their complaint and make all attempts to resolve the complaint. Throughout this process, the BHRS PRA Office shall have access to patient records.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "C1," CRISIS SERVICES COMPENSATION

I. FEE SCHEDULE

A. BHRS and KCHA both agree to:

1. Adhere to invoicing and payment reimbursement through journal vouchers, direct deposit and check.

2. Comply with financial reconciliation standards according to a claims adjudication process (white claim process) for indigent, unfunded individuals who are Kern County Residents. Within twenty-five (25) days of receiving the TAR response from the BHRS Authorizations Department. Any claims received after one (1) month but less than four (4) months from date of TAR response receipt can be accepted on a case-by-case basis with prior approval from BHRS Administration.

   a. Special circumstances occur solely on claims for Conserved Clients who no longer meet medical necessity, have received prior approval from BHRS Administration, and are meeting the documentation standards.

3. Collaborate in data-sharing to support the Annual Acute Care Hospital Cost Report and any other cost reporting necessary to ensure compliance with operational and financial obligations of KCHA and BHRS.

4. Comply with all regulations regarding payment authorization of Acute Inpatient Days and Administrative Day services per CCR Title 9 Sec. 1820.220.

II. COMPENSATION

A. BHRS will compensate KCHA for services provided as follows:

1. Annual acute inpatient bed day rate will be negotiated on an annual basis as agreed by both parties. BHRS will compensate KCHA at the rate of TWO THOUSAND THREE HUNDRED ($2,300) DOLLARS per day, per hospitalized patient, both Kern County patients with Medi-Cal and Kern County patients without a payer source, inclusive of labs, medications, and physician services, effective April 1, 2026.

2. KCHA will be reimbursed the per diem rate for Administrative Bed Days as determined by the Department of Health Care Services (DHCS).

   a. BHRS and KCHA will collaboratively review administrative days every six months to ensure that utilization of administrative days does not exceed 10%. If the utilization of administrative days exceeds 10% of total inpatient days, BHRS and KCHA will identify actionable steps for inpatient and outpatient teams to take in order to maintain this goal.

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3. KCHA shall provide written notification to the BHRS Authorizations Unit, within twenty-four (24) hours of admission, when a Kern County Medi-Cal beneficiary or uninsured individual has been hospitalized for psychiatric inpatient services. A request for payment for Kern County Medi-Cal beneficiaries may be denied if the notification is not submitted within this timeframe.

4. KCHA shall submit a Treatment Authorization Request (TAR) to the BHRS Authorization Unit within fourteen (14) days following the discharge of a Kern County Medi-Cal beneficiary or uninsured individual. For patients that have Medi-Cal as a secondary benefit, Retrospective review will be implemented and KCHA shall submit a TAR 14 days from receiving a letter of denial from the primary payor source, along with access to or a hard copy of the complete medical chart. A request for payment may be denied for Kern County Medi-Cal beneficiaries if the notification is not submitted within this timeframe.

5. KCHA shall meet medical necessity criteria set forth in California Code of Regulations Title 9 (CCR Title 9), section 1820.205 for each day an individual is hospitalized and shall meet Standards of Service as set forth in Exhibit F. Medical record documentation shall meet CCR Title 9 and DHCS standards.

6. KCHA shall, for the submission of a TAR exceeding 100 days: submit a TAR for the first 99 days and then submit a separate TAR for the one hundredth day and beyond or as instructed by California State mandated Concurrent Review requirements.

7. KCHA agrees that the BHRS Authorization Unit shall follow authorization procedures set forth in CCR Title 9, section 1820.220, and BHRS System of Care Manual of Policies and Procedures, Section 5.1.19, Treatment Authorization Requests in processing TARs received from KCHA.

8. When an individual is hospitalized at the request of the Conservator and that individual does not meet medical necessity by Medi-Cal definition for inpatient hospitalization, BHRS agrees to reimburse KCHA at agreed upon acute rates the state administrative day rate for each day of hospital admission KCHA meets its documentation requirement.

9. KCHA will be compensated for services rendered to the Dually Eligible (Medi-Cal/Medicare) population as follows:

a. KCHA will bill Medicare initially.

b. KCHA will submit a TAR to BHRS for Medi-Cal authorization of services not otherwise covered by Medicare.

10. TARs for both Medi-Cal beneficiaries and for unfunded individuals will be submitted to the BHRS Authorization Unit for processing. All Medi-Cal TARs for bed days meeting medical necessity will be authorized and forwarded to the Medi-Cal fiscal intermediary for payment. Claim for payment for unfunded individuals will be forwarded to the Authorizations Unit within 25 days of KCHA receiving the TAR response. All TARs for bed days meeting medical necessity for unfunded individuals will be authorized and will be processed through BHRS Finance Division team for payment.

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a. TARs not meeting medical necessity will be denied payment. All denials will be reviewed and authorized by a physician.

b. KCHA may appeal a decision, utilizing the established TAR appeal process.

11. Concurrent Review: BHRS shall conduct concurrent review of treatment authorizations commencing within 72 hours of initial notification of admission/request for authorization and for each day of continued stay. BHRS may elect to initially authorize multiple psychiatric inpatient hospital days but each day of service for Medi-Cal reimbursement must meet medical necessity criteria, per Title IX, section 1820.205, regardless of the legal status of the individual.

a. KCHA will provide electronic medical record access to the KBHRS authorizations team and physician review provider(s) to view supporting documentation to the BHRS Authorization Unit for all subsequent days of hospitalization to justify continued medical necessity in order to be reimbursed for acute bed days and administrative bed days. In the event that BHRS is unable to access the electronic medical record for longer than 48hrs, KCHA will provide hard copy chart documentation for review purposes.

b. Within 72 hours of an admission, KCHA will designate a contact person to communicate with the BHRS Authorization Unit or assigned designee regarding the inpatient stay. This communication will occur regularly throughout the inpatient stay, in order to authorize subsequent bed days.

c. Decisions to approve, modify, or deny KCHA requests for authorization shall be communicated to KCHA, in writing, within 24 hours of the decision and the beneficiary shall be notified, in writing, of the adverse benefit determination. Care shall not be discontinued until the treating provider has been notified and a care plan is agreed upon by the treating provider that is appropriate for the medical needs of the beneficiary.

12. BHRS shall provide KCHA with Encounter Level Data Reports for care rendered to the uninsured population on a monthly basis for purposes of reporting to the Medi-Cal 2020 Global Payment Program (GPP) as well as the DHCS Quality Incentive Pool (QIP).

13. Upon termination of this Agreement, following the receipt of TARs from KCHA, BHRS will use the fee for service methodology to reimburse/process claims from KCHA. All services provided up to the date of termination will be reimbursed according to the terms and conditions of payment.

14. KCHA is required to submit a Mental Health cost report for indigent and administrative inpatient days on or before September 30th after the close of the county fiscal year. The cost report shall be prepared in the format required by the County and by the State of California. The costs reported shall be in compliance with Public Law 98-502, the Federal Single Audit Act of 1984, and the Single Audit Act Amendments of 1996, Office of Management and Budget (OMB) Circular A- 133, 2 CFR Parts 200, 215, 220, 225, and 230, and CFR 48 subpart 31.2, as applicable. Compensation for services rendered subsequent to September 30th shall be withheld from KCHA until the cost report has been delivered. Should KCHA have an audit of the Medi-Cal cost report, KCHA is required to submit an amended cost report using their adjusted cost per the audit.

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a. Requests to extend the deadline of cost report submission must be made in writing to the BHRS Department's Finance Manager.

b. KCHA may use unaudited financial statements as the basis of cost information for completion of the cost report. KCHA shall forward a copy of the unaudited financial statements to County along with the completed cost report and any work papers necessary to support the amounts reported. Unaudited financial statements include, but are not limited, to trial balance and general ledger detail.

c. At the County's discretion, KCHA may be required to attend cost report training before the cost report due date. County staff will provide training. The training may be a group presentation or provided on an individual basis.

15. KCHA agrees to maintain and make available to County accurate books and records relative to all activities of the organization, including client information and information included in personnel records, limited to that needed for the verification of credentialing, experience and background. Review of the organization's personnel files shall be subject to applicable confidentiality laws. KCHA shall maintain such data and records in an accessible location and condition for a minimum of ten (10) years after the close of the fiscal year in which services are rendered or until all audit issues are resolved, whichever is later. The State of California and/or any federal agency having an Interest in the subject of this agreement shall have the same rights conferred upon county herein.

16. KCHA shall permit county to audit, examine, and make excerpts and transcripts from such records; and to conduct audits, reviews and monitoring of Medi-Cal and financial records; and all other data related to matters covered by this agreement. At County's discretion, county may request that KCHA deliver by mail or electronic transmission to the county, a copy of KCHA's accounting records prior to an on-site audit by the county.

17. Failure by KCHA to allow review shall be a material breach of this agreement by KCHA. County, at its sole option, may terminate this agreement and obtain damages from KCHA resulting from said breach, or county may exercise the option to withhold payments from the KCHA until such time as all required documents are made available. Further, as one component of Medi-Cal records review and financial monitoring KCHA may be required, at the sole option of county, to complete a Corrective Action Plan. County may exercise the option to withhold payments from the KCHA until such time as the county accepts the Corrective Action Plan.

18. At KCHA’s expense, KCHA is required to submit an independent audit report of its financial statement no later than nine (9) months after the close of KCHA’s fiscal year. The audit report shall be performed by a Certified Public Accountant licensed to perform attestations in the state of California. The independent audit shall be conducted in conformity with Public Law 98-502, the Federal Single Audit Act of 1984, the Single Audit Act Amendments of 1996, OMB Circular A-133, 2 CFR Parts 215,220,225 and 230, and CFR 48 subpart 31.2, the American Institute of Certified Public Accountants, and/or Government Auditing Standards, as applicable.

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a. Failure to submit the independent audit within the timeframe stipulated in may result in sanctions such as withholding of payments, corrective action notices, or any other actions deemed necessary to prompt and ensure contract and performance compliance.

b. The independent auditor engaged by KCHA to conduct the independent audit shall be instructed and authorized by KCHA to send the Director and the Kern County Auditor-Controller-County Clerk a copy of the audit report and management report prepared by the independent auditor as a part of the engagement. Should the independent auditor prepare any other reports about KCHA's performance, internal control, adherence to applicable laws, rules and regulations or any other matters such other reports shall be instructed and authorized by KCHA to also be copied to Director and the Kern County Auditor-Controller-County Clerk by the independent auditor.

19. The annual cost report establishes state and federal liability to the Department for services represented in the cost report. The settlement process begins with the submission of the Department's cost report to the state, following the close of the fiscal year.

20. KCHA shall maintain and preserve all fiscal records, documents, and correspondence related to this agreement for a minimum period of ten (10) years after the close of the fiscal year in which services are rendered.

21. KCHA shall maintain all financial, statistical or accounting records associated with the provision of each type of service described in this agreement, necessary to support the costs claimed pursuant to this agreement or any other federal or state reimbursement claim report forms. Moreover, KCHA shall maintain all statistical data necessary to support the allocation of such cost among programs or types of programs and/or among payers; shall maintain auditable records, in accordance with generally accepted accounting principles, reflecting the methods and calculations used to make such allocations; and such other statistical data as shall be necessary to satisfy the requirements of state and federal law.

22. KCHA shall make any and all records, whether fiscal or other, generated pursuant to this agreement available for County's inspection. At County's discretion, County may request that KCHA deliver by mail or electronic transmission to the county a copy of KCHA's accounting records prior to an on-site audit by the county. The State of California and/or federal agency having an interest in the subject of this agreement shall have the same rights conferred upon the county herein.

23. Monitoring and other reviews may be conducted by DHCS or other governing bodies in accordance with regulations in effect during this agreement.

24. All of KCHA’s sites where contracted services are provided must be certified in accordance with Medi-Cal Regulations and the Americans with Disabilities Act (ADA). Official fire clearance must take place prior to service provision. Fire inspections must be performed on an annual or bi-annual basis and a fire clearance granted. The fire inspector must clearly indicate if the clearance is annual or bi-annual. If not indicated, the clearance will be considered annual. If a site is not Medi-Cal certified, or if the renewal is delinquent, the Department will not bill Medi-Cal, or forward payments to KCHA, until site certification is obtained.

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25. BHRS and KCHA shall abide by BHRS's Medical Records Review Policy 11.1.6 and attachments A, B, C, D, E and F of the policy.

26. Any changes to the amount of this Agreement will require written approval by the Kern County Board of Supervisors and the consent of each agency.

III. REIMBURSEMENT

A. BHRS will reimburse KCHA for services provided in accordance with Exhibit "C-1" up to the maximum amount set forth in this Exhibit. Funds provided to KCHA may be from one or more of the funding sources detailed in this Exhibit; however, BHRS may vary the allocated amount of each funding source within a budget unit, by formal amendment, duly executed by the parties.

1. In no event will the maximum amount payable by BHRS to KCHA, pursuant to this Agreement, exceed the aggregate sum set forth in this exhibit, unless the Agreement is modified by formal amendment, duly executed by the parties. The maximum contract funding shown in this exhibit absolutely limits BHRS's liability to KCHA for services provided under this Agreement, not including BHRS's duty to indemnify KCHA, in total for the Agreement as a whole, and individually for each funding source.

2. No funds paid to KCHA through this Agreement will be utilized to compensate employees of KCHA for overtime or compensatory time off, except to the extent that KCHA is required to pay for overtime or compensatory time off, pursuant to the Fair Labor Standards Act of 1938, 29 United States Code (USC) Section 201, et seq., or applicable state law.

3. This Agreement is subject to BHRS's annual appropriation process. In the event that funds representing KCHA's compensation and reimbursement for expenses of the services provided pursuant to this Agreement are not appropriated within the approved BHRS budget in any fiscal year, this Agreement will be deemed terminated and will be of no further force or effect as of the date BHRS's budget is approved. BHRS will provide KCHA with notice of any such action. BHRS will provide KCHA with thirty (30) days prior notice of any such action.

4. KCHA will be liable for and accountable to BHRS for any and all program funds improperly expended under this Agreement by KCHA or any officer, employee, agent or representative thereof, whether or not such officer, employee, agent or representative was acting within the scope of his or her employment. BHRS will notify KCHA in writing of any findings supporting a determination of such improper expenditure and will conduct a conference with KCHA about such findings.

KCHA will reimburse BHRS the amount of any such improper expenditure upon demand but such demand will be subject to **PARAGRAPH 28 "DISPUTE AND ISSUE RESOLUTION",** contained herein.

5. No payment will be made to KCHA if KCHA has any state, federal, or county liens outstanding, Should BHRS discover record of outstanding lien, BHRS will immediately notify KCHA about the lien record, immediately investigate the circumstances, and determine a course of action within

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thirty (30) days of discovery. BHRS may consider a repayment arrangement between KCHA and the lien-maker as reasonably satisfying this Agreement stipulation. KCHA will provide to BHRS, within thirty (30) days of request, a copy of the repayment document(s), the name of the contact person with the lien-maker agency that can verify the repayment arrangement, and a written statement explaining what resources KCHA is using to accomplish the repayment.

6. Monitoring and other reviews may be conducted by DHCS or other governing bodies in accordance with regulations in effect during this agreement. County will recoup payments for all claims disallowed from KCHA. Upon receiving notification of disallowed claims, County will send a demand notice to KCHA. KCHA shall reimburse County within thirty (30) days of the date of the demand notice. If disallowed claims are not paid to County within thirty (30) days of the date of the demand notice, County may exercise the option to withhold payments from KCHA until such time as payment is received in full. For all cases, County amounts withheld from KCHA shall be considered as payments to KCHA.

7. All of KCHA's sites where contracted services are provided must be certified in accordance with Medi-Cal Regulations and the Americans with Disabilities Act (ADA). Official fire clearance must take place prior to service provision. Fire inspections must be performed on an annual or bi-annual basis and a fire clearance granted. The fire inspector must clearly indicate if the clearance is annual or bi-annual. If not indicated, the clearance will be considered annual. If a site is not Medi-Cal certified, or if the renewal is delinquent, the Department will not bill Medi-Cal, or forward payments to KCHA, until site certification is obtained.

8. KCHA shall determine the availability of any third-party insurance or payer source (including Medi-Cal) available to client at admission and monthly thereafter and notify County if any is available. Medi-Cal verification must specify county that issued Medi-Cal benefits. Any changes must be provided to BHRS billing staff on a monthly basis. BHRS follows the guidance in MHSUDS Information Notice 17-036 regarding County of Responsibility. Medi-Cal verification must specify Kern as the county that issued Medi-Cal benefits. If an individual has Medi-Cal that originated in a different county, KCHA shall assist the individual to update benefit information to Kern County.

IV. EVALUATION -

A. BHRS will periodically evaluate KCHA's program(s) costs for the purpose of assessing the reasonableness of BHRS's payments for services provided. KCHA will be provided reasonable notice if additional contractual and/or service delivery issues are to be reviewed. KCHA is expected to prepare necessary reports and other material to adequately explain KCHA's use of funds as specified in this exhibit of this Agreement. BHRS may prescribe specific report formats and data content as deemed necessary at the sole discretion of BHRS.

1. Monitoring and other reviews may be conducted by DHCS or other governing bodies in accordance with regulations in effect during this Agreement. BHRS will recoup payments for all claims disallowed from KCHA as authorized by Title IX of the California Code of Regulations (CCR), Chapter 11, Section 1810.380. Upon receiving notification of disallowed claims, BHRS will send a demand notice to KCHA.

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2. KCHA will reimburse BHRS within thirty (30) days of the date of the demand notice. If disallowed claims are not paid to BHRS within thirty (30) days of the date of the demand notice, BHRS may exercise the option to withhold payments from KCHA until such time as payment is received in full. For all cases, BHRS amounts withheld from KCHA will be considered as payments to KCHA.

V. KCHA APPEAL PROCESS

A. KCHA may appeal a denied or modified request for BHRS payment authorization or a dispute with BHRS concerning the processing or payment of a provider's claim to BHRS.

1. The written appeal shall be submitted to BHRS within ninety (90) calendar days of the date of receipt of the non-approval of payment or within ninety (90) calendar days of the BHRS's failure to act on the request in accordance with time frames required by the California Code of Regulations, Title IX, "Provider Appeal Process".

2. BHRS has sixty (60) calendar days from its receipt of the appeal to inform KCHA in writing of the decision, including a statement of the reasons for the decision that addresses each issue raised by KCHA, and any action required by KCHA to implement the decision.

3. If the appeal is not granted in full, KCHA shall be notified of any right to submit an appeal to the department as required by the California Code of Regulations, Title IX.

4. If applicable, KCHA shall submit a revised request for BHRS payment authorization within thirty (30) calendar days from receipt of BHRS's decision.

5. If applicable, BHRS shall have fourteen (14) calendar days from the date of receipt of KCHA's revised request for BHRS payment authorization to submit the documentation to the Medi-Cal fiscal intermediary that is required to process the BHRS's payment authorization.

6. Inpatient Bed Day rate will be $2,300.00 as negotiated and agreed upon by BHRS and KCHA, effective April 1, 2026.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "C2" LPS TRANSPORTATION

I. Transportation agreement of Kern County Hospital Authority/Kern Medical Behavioral Health Unit (BHU) to transport patients to court for hearings (also referred to as "hearings") related to their involuntary hold pursuant to the Lanterman Petris Short (LPS) Act.

II. This amendment shall apply to any individual who is on an involuntary hold pursuant to the LPS act from Kern County, or one of the counties that Kern County currently has an MOU with to accept. This amendment shall not apply to individuals who are admitted voluntarily to the BHU, or individuals who require out-of-country court services. In this instance, KCHA will arrange with the individual's home county for transportation.

III. Kern Medical Will:
   a. Notify Behavioral Health and Recover Services (BHRS) of the filing of any petition that will lead to a hearing as soon as that information becomes available, to allow BHRS the most time to coordinate any necessary transportation of patient to said hearing.
   b. This information should be passed via e-mail to: CourtTransport@BHRS.org
   c. Once a time and date for the hearing is known to BHU staff, that information shall also be relayed, via email to the above address.
   d. When legally appropriate, BHU shall request that a hearing be held virtually to mitigate any safety risk to the patient and/or the public. This request can be made through County Counsel.
   e. Provide information of patient's current needs to BHRS to facilitate a safe transport including but not limited to any elopement risk, risk of violence, suicide risk, and any pertinent medical conditions within 8 hours of receiving the transportation notice.
      i. Note: some medical conditions (i.e. non-ambulatory status) will require additional planning and collaboration.
   f. Specific plans for the hand-off and return of the patient will be worked out between Kern Medical and BHRS on a case-by-case basis, prior to the time for pick up.
   g. Maintain the patient as admitted, on the LPS hold, to BHU while away from the facility.
   h. If medication is scheduled to be administered, Kern Medical is responsible for administering the medication for the client prior to leaving the BHU and at other intervals as prescribed (See BHRS section for information on obtaining medication during the day). If the patient is to be away from the hospital for more than 4 hours, Kern Medical will provide needed food for the patient.
   i. Document the time, date, and reason the patient will be absent from the BHU in the electronic health record.

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IV. BHRS will:

a. BHRS will communicate the actual time of pickup as soon as that time is known, sending this information via KernMedicalBHU@KernMedical.com, including an estimate on the length of time patient will be away from the BHU.
b. BHRS will utilize Trans-West or BHRS secure vehicle for transportation and BHRS staff for client supervision during the court proceedings. BHRS will transport the patient to their court hearing.
c. BHRS will meet BHU staff at the BHU to allow for patient hand off to occur in a controlled environment. Upon return, patient will be returned by BHRS to BHU.
d. If the patient is going to be away from the hospital during the time that afternoon medication will be administered, BHRS will transport the patient back to the hospital during the lunch hour for administration. County Counsel will work with the court to ensure that enough time is given to the parties to ensure that this can occur.
e. Notify the BHU ((661) 326-2715 - ask for the Charge Nurse) if patient's hold is retained and is being returned to BHU, and/or the hold is dropped, and the patient is released or if the patient is returned to the BHU for discharge.
    i. BHRS will encourage the patient to return to the BHU if the hold is dropped to retrieve their belongings and complete the hospital discharge process with any necessary/required medications and discharge paperwork. Noting once the patient is released from their hold by the court, he/she has the right to refuse to return to the hospital, but the BHU will be notified regardless.
f. Appropriately document the encounter in the BHRS Electronic Health Record per BHRS policy and procedures.
g. BHRS staff will follow BHRS policy and procedures regarding incidents of crisis intervention and AWOLs during court transportations.

V. In order to ensure that all parties are on the same page regarding potential hearing timeframes (for notice purposes), the below information is provided. Note that this information is only a rough timeframe for the holding of hearings and is subject to change per court availability.

a. WRITS AND RIESES:
    i. Petitions filed on Monday are heard Tuesday at 1:30PM.
    ii. Petitions filed on Tuesday, Wednesday, and Thursday before 10:30AM are heard Thursday at 1:30PM.
    iii. Petitions filed after 10:30 on Thursday are heard either Friday or Monday at 1:30PM at the court's discretion.
    iv. Petitions filed on Friday are heard Tuesday at 1:30PM.
    v. Patients may appear remotely for these hearings, if they so desire.

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b. POST CERTIFICATION HOLDS:
    i. The initial hearing on this type of petition will be heard the Wednesday following its filing at 1:30PM. The patient may be able to appear remotely for this hearing, if they so desire.
    ii. Any bench or jury trial will be set between the parties and the court and will require that the patient be personally present, unless waived by counsel.

c. Please note, these hearing times are the schedule at the time of the signing of this amendment. They are subject to change at the will of the court. Please check with Court or County Counsel for current information.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "C3" EMERGENCY DEPARTMENT HOLD OVER

Diversion Reimbursement Procedures and Responsibilities

I. Purpose

A. The purpose of this section is to outline the reimbursement responsibilities of Behavioral Health and Recovery Services (BHRS) for individuals diverted from the Psychiatric Evaluation Center (PEC).

II. Definitions:

A. Medical Clearance

1. A determination by KCHA medical staff that an individual is medically stable and appropriate for transfer to the PEC CSU.
2. Completed Referral Packet
    a. The standardized referral packet used by the ED to refer individuals to the PEC CSU, containing all required clinical, demographic, and legal documentation.
3. Diversion
    a. A situation where an individual clinically appropriate for PEC CSU evaluation is redirected to the KCHA ED or delayed in transfer to the PEC CSU due to capacity or operational limitations, resulting in extended ED boarding.

III. Reimbursement for Diversions

A. BHRS shall reimburse costs associated with individuals diverted from the Psychiatric Evaluation Center at a rate of $75 per hour. Reimbursement shall begin 121 minutes after the individual has been medically cleared for the PEC Crisis Stabilization Unit (CSU) and the Emergency Department (ED) has submitted a completed referral packet to the PEC CSU. Total reimbursement shall not exceed $1,800 within a calendar day.

IV. Tracking and Monitoring

A. BHRS Crisis Administrator and the Kern County Hospital Authority Emergency Department Nursing Manager shall be jointly responsible for tracking and monitoring all referrals and associated timelines.

V. Diversion Timeline Tracking

A. BHRS Crisis Administrator and the KCHA ED Nursing Manager jointly track:

1. BHRS will track:
    a. PEC CSU Acceptance or declination times
    b. PEC CSU diversion times and durations
2. KCHA will track:
    a. Medical clearance time
    b. Referral packet submission time

VI. Each party shall maintain internal logs for fiscal and audit purposes

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VII. Billing and Documentation Submission

A. KCHA shall submit a monthly invoice including:

1. Date(s) of diversion
2. Start/end times
3. Hourly total and calculation detail
4. Supporting documentation

B. BHRS shall review and reimburse in accordance with county fiscal processes outlined in related contract exhibits.

VIII. Term and Integration

A. This provision shall be incorporated into the broader MOU between the Parties and shall remain in effect for the duration of the MOU unless otherwise amended in writing by mutual agreement.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "D" CORRECTIONAL SERVICES DESCRIPTION OF STANDARDS AND SERVICES

1) BHRS Correctional Behavioral Health RN/LVN in collaboration with and under the direction of the BHRS Psychiatrist:

A. Receives, documents, and confirms accuracy of psychotropic medication orders whether hand-written or electronically transmitted (including confirmation of current consents/1369 court order as VORB/TORB or written by psychiatrist for all scheduled Sick Calls including face to face sick call at Max/Med, Pre-Trial, Justice Facilities; Tele-psychiatry sick call at Max/Med, Pre-Trial Facilities; NP/LVN Renewal lines at Max/Med, Pre-Trial and Justice Facilities).

1. Psychiatric Medication orders are then filled by pharmacy and administered by KCHA staff twice daily based on Kern County Sherriff's Office (KCSO) staffing availability.

2. BHRS requests that Kern Medical Pharmacy supply requested "Stock Medications" on an as needed basis. Medication stock to be verified as present and sufficient on a weekly basis. Stock Medication needs will be outlined by BHRS Medical Director and Joint Chair of Psychiatry.

B. Notice Kern Medical Nursing of medication order discontinuances or medication changes that require Kern Medical Staff to pull medications from the medication carts via KCHA established email: CMadmin@kernmedical.com.

C. Individuals housed at Central Receiving or Lerdo Correctional Facility (Correctional Facilities) shall access emergency psychiatric services in compliance with BHRS Memo "Emergency Psychiatric Services for Jail Inmates." Any changes to this memo must be reviewed and approved by BHRS, KCHA, and KCSO.

1. BHRS Correctional Nurse/LVN, under the direction of the Psychiatrist, Administers Involuntary psychotropic medication as indicated within the Emergency/Involuntary psychiatric medication policy and procedure.

2. KCHA staff obtain Baseline vital signs and restraint check.

3. BHRS CBH to administer long-acting injectable psychotropic medication

D. Receives, notates, and confirms accuracy of laboratory orders from Psychiatrist, in addition to reviewing results and notifying ordering BHRS Psychiatrist of abnormal results STAT for clients including, but not limited to clients prescribed Clozaril/Lithium/Depakote.

1. KCHA staff enter orders into EMR, draws lab sample, and transports lab sample to KCHA for processing.

2. KCHA then sends lab results back to BHRS identified medical staff.

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2) KCHA:

A. Will administer and read TB tests upon request to include transfers to other facilities.

B. Provide electronic access to BHRS Psychiatrists for the review of Lab results.

C. Provide access to Medication Administration Record (MAR) in form of a copy or printout of medications administered.

D. KCHA staff to provide notice to BHRS Psychiatrist via the Inmate Refusal of Medication Notification form if an inmate refuses mental health medication for 3 days.

   a. Of special note is: Lamictal: a patient should not get the same dose and needs to be restarted from the starting dose if the patient has missed their dose or has been/non adherent for four days.

E. KCHA staff will notify BHRS Psychiatrists of refusals of the following medications as an urgent notice when the inmate refuses the medication the below indicated number of days:
   a. Clozaril: patient should not get the same dose and needs to be restarted from the starting dose if the patient has missed/non adherent for two days.

F. Will pull medications once an email has been received from BHRS Psychiatrist or nurse on behalf of psychiatrist indicating a medication order discontinuance or medication change that requires Kern Medical Staff to pull medications from the medication carts.

G. Monitors daily compliance of 1369 involuntary medication ordered clients at Max/Med, Pre-Trial and Justice Facilities. Including making additional attempt for by mouth (PO) medication if client has refused first administration attempt from KCHA staff.

   a. KCHA staff pass initial attempt of PO prescribed medication.

3) BHRS and KCHA:

A. Exchange referrals for service received via the booking process or communications for other staff, inmates or any entities.

B. Case consultation on Medical and Psychiatric issues to determine best course of care for client.

C. Meet at least regularly to discuss pharmacy needs.

D. Meet at least regularly to ensure open communication between jail supervisors and jail management teams.

E. Administration from both parties will meet at least Quarterly to ensure open lines of communication.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "E" STAT LABORATORY SERVICES DESCRIPTION OF STANDARDS AND SERVICES

A. BHRS requests to utilize KCHA Laboratory for processing STAT labs for the Psychiatric Evaluation Center (PEC).
   a. BHRS PEC staff will:
      i. Fax/walk-over required information for the patient to be registered at KCHA.
      ii. Physician will place orders for labs in KCHA EMR.
      iii. PEC staff will draw labs and label specimen according to the following:
         1. Label with: NAME, DOB, DATE/TIME of collection, and identifier of who drew the specimen.
      iv. PEC staff will call lab to notify that they are walking over labs at (661.326-2442). If after hours, between 4:30pm- 7am, KM LAB will alert security to facilitate access for PEC staff to drop off specimen in lab.
      v. PEC staff will take labs to Kern Medical Lab, delivering labeled specimens, requisition and face sheet.
         1. Indicated turn around is 4-5 hours if there is back-up or emergency otherwise 1-2 hours is reasonable
      vi. PEC staff will check KCHA EMR for results.
         1. Critical Values would be reported to ordering Physician
   b. KCHA will:
      i. Lab will communicate demographic information to Registration.
      ii. Registration will create the patient account/encounter.
      iii. Lab will process & result the specimens as per protocol.

B. The tests to be utilized are indicated in Table 1:

Table 1
PEC STAT LABS

NAME	Where completed	CPT(S)	Performing Lab:
Basic Metabolic Panel	KCHA, In-House	80048	KM- in house
Carbamazepine	KCHA, In-House	80156	KM- in house
CBC with Differential	KCHA, In-House	85025	KM- in house
Comprehensive Metabolic Panel	KCHA, In-House	80053	KM- in house
Lithium	KCHA, In-House	80178	KM- in house
RPR/Syphilis AB QL W RFLX RPR/FTA	KCHA, In-House	86780	KM- in house
TSH (3rd generation, in-house)	KCHA, In-House	84443	KM- in house
Valproic Acid (Depakene)	KCHA, In-House	80164	KM- in house
UA	KCHA, In-House	81001	KM- in house
HCG- Quant	KCHA, In-House	84702	KM- in house
COVID-19 Rapid Test	KCHA, In-House	U0002	KM, In-House

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "E1" STAT LABORATORY SERVICES COMPENSATION

A. KCHA will be compensated according to the table outlined below

TABLE 1

NAME	Price
Basic Metabolic Panel	$ 38.10
Carbamazepine	$ 65.57
CBC with Differential	$ 35.04
Comprehensive Metabolic Panel	$ 47.60
Lithium	$ 29.76
RPR/Syphilis AB QL W RFLX RPR/FTA	$ 57.30
TSH (3rd generation, in-house)	$ 75.68
Valproic Acid (Depakene)	$ 126.47
UA	$ 14.25
HCG- Quant	$ 67.83
COVID-19 Rapid Test	$ 43.46

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "F" ELECTROCONVULSIVE THERAPY DESCRIPTION OF STANDARDS AND SERVICES

A. **KCHA will be administering Electroconvulsive Therapy (ECT) services as outlined below:**

1. **Requirements Specific to Voluntary/Involuntary Patients**

a. ECT may be administered to voluntary and involuntary patients, including patients under conservatorship, **when all of the following conditions are met:**

i. The Attending Physician, designated as the primary service or the ECT Psychiatrist, enters documentation in the medical record of the diagnosis, that all other reasonable treatment modalities have been carefully considered, and that ECT is indicated and is the least drastic alternative available for this patient at this time.

ii. Such statement in the treatment record shall be signed by the Attending Physician **and** the ECT Psychiatrist.

iii. At the time of the recommendation for ECT of an involuntary patient who has not given written consent, KCHA will contact the Kern County Public Defender (hereinafter referred to as "PD") for their consult as to the capacity of proposed patient per the Welfare and Institutions Code.

b. A review of the patient's medical record is conducted by a committee of two physicians, at least one of whom shall have personally examined the patient. One physician shall be appointed by Kern Medical and one shall be appointed by the local behavioral health director [BHRS]. Both shall be either board-certified or board-eligible psychiatrists or board-certified or board-eligible neurologists.

i. Persons who serve on these review committees shall not otherwise be personally involved in the treatment of the patient whose case they are reviewing.

ii. It shall be the responsibility of the BHRS Director to promulgate a list of physicians eligible to serve as local behavioral health director appointees to pre-treatment review committees. The physician selected by BHRS Behavioral Health Director or their designee from this list is considered "appointed by the BHRS Director." This BHRS physician will have access to patient's medical record in order to participate in the committee review.

iii. This review committee must unanimously agree with the ECT Psychiatrist's determinations. Such agreement shall be documented in the patient's medical record and on the Pre-Treatment Review Committee Statement signed by both physicians.

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2. **BHRS Responsibilities:**

   a. BHRS Director shall promulgate a list of physicians eligible to serve as an appointee to the pre-treatment review committees. This physician must not be personally involved in the treatment of the patient who is being reviewed. This physician will be on staff at BHRS and appointed by the local behavioral health director.
   b. Upon receipt of request for Review Committee, BHRS will select a physician who will complete the review, and documents requested will be returned as completed to KCHA requestor.

3. **KCHA Responsibilities:**

   a. Notice of need for BHRS physician review, as part of the Review Committee, will be sent via email to ECTReferrals@BHRS.org.
   b. KCHA shall appoint one physician to serve as one half of the review committee on behalf of KCHA.
   c. If the involuntary patient does not consent to the ECT treatment and the ECT treating physician, the attending physician, and the public defender believe that the patient does not have capacity to give consent, then a petition will need to be filed in Superior Court to determine the patient's capacity to give consent.

4. **Petition Procedure**:

   a. KCHA will notify BHRS of the need to petition for determination of the patient's capacity to give consent to ECT treatment.

   b. Determination of responsibility of representation:
      i. If the patient is an LPS conservatee or the patient's payor is BHRS, responsibility for legal representation lies with BHRS, all other recipients of Kern Medical's ECT service would be Kern Medical's responsibility for legal representation.

   c. Determination of responsibility to compensate legal representation:
      i. If the patient is an LPS conservatee or patient's payor is BHRS, responsibility for compensation of legal representation lies with BHRS, all other recipients of Kern Medical's ECT service would be Kern Medical's responsibility for compensation of legal representation.

5. **State Reporting Requirements**

   a. Quarterly, Kern Medical shall report to BHRS, utilizing the States Convulsive Treatments Administered Quarterly Report. Reports shall be made regardless of whether or not any ECT treatment methods were used during the quarter.
      i. When more than one seizure is induced in a single treatment session, each seizure shall be considered a separate treatment for records-keeping and reporting purposes.
   b. BHRS shall transmit reports received to the Director of the State Department of Health Care Services, or to the office designated by the Director, by the 15th day of the month following the end of the quarter.
   c. Likewise, any physician who considers ECT a service that the physician provides, and whose use of ECT is not included in any facility's report, must submit a quarterly report

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to the local behavioral health director even if such treatment was not administered during that particular quarter.

d. Quarterly, BHRS shall forward to the Medical Board of California any records or information received from the quarterly ECT reports indicating violation of the law and the regulations that have been adopted thereto.

6. **Reimbursement Rates**

a. BHRS will reimburse KCHA, via the true up mechanism, for the cost of ECT services for Kern County Medi-Cal, indigent beneficiaries and Kern County LPS Conservatee (BHRS' patients pursuant to this MOU), who are admitted to a Kern County inpatient psychiatric facility and meet all criteria for ECT services prior to discharge.

b. BHRS will not be responsible for reimbursement once the individual is discharged from the inpatient facility and KCHA is able to bill for ECT services.

c. Reimbursement rates per treatment of ECT services are as outlined in Exhibit G.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "G" – MAXIMUM FUNDING SCHEDULE

April 1, 2026 through September 30, 2026

FY 25-26 (04/01/2026-06/30/2026)	FFP	REALIGNMENT	MHSA CSS	MHSA PEI	Total
Psychiatry Training/Physician Costs	Allowed	Allowed	Allowed	Allowed	$975,000
Bed Day/TARs	Allowed	Allowed	Allowed	Allowed	$100,000
STAT Labs	Allowed	Allowed	Allowed	Allowed	$56,250
Electroconvulsive Therapy	Allowed	Allowed	Allowed	Allowed	$70,000
Emergency Department Holdover Cost	Allowed	Allowed	Allowed	Allowed	$150,000
FY 25-26 Total:	Allowed	Allowed	Allowed	Allowed	$1,351,250

FY 26-27 (07/01/2026-09/30/26)	FFP	REALIGNMENT	MHSA CSS	MHSA PEI	Total
Psychiatry Training/Physician Costs	Allowed	Allowed	Allowed	Allowed	$975,000
Bed Day/TARs	Allowed	Allowed	Allowed	Allowed	$100,000
STAT Labs	Allowed	Allowed	Allowed	Allowed	$56,250
Electroconvulsive Therapy	Allowed	Allowed	Allowed	Allowed	$70,000
Emergency Department Holdover Cost	Allowed	Allowed	Allowed	Allowed	$150,000
FY 26-27 Total:	Allowed	Allowed	Allowed	Allowed	$1,351,250

FY 25-27 Total Maximum Reimbursement:	Allowed	Allowed	Allowed	Allowed	$2,702,500

A. For Electro Convulsive Therapy Services (ECT) reimbursement rates per treatment of ECT services are:

Facility Fee - $350

Professional Fee - $150

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT “H” BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("**BAA**") is entered into by and between the Kern County Hospital Authority on behalf of Kern Medical Center and the County of Kern and its constituent department, the Behavioral Health and Recovery Services (each a "**Party**" and collectively the "**Parties**").

RECITALS:

WHEREAS, Covered Entity is a term that is defined under the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-91), as amended, ("HIPAA"), and the regulations promulgated thereunder by the Secretary of the U.S. Department of Health and Human Services ("**Secretary**"), including, without limitation, the regulations codified at 45 C.F.R. Parts 160, 162, and 164 ("HIPAA Rules");

WHEREAS, Business Associate performs Services for or on behalf of Covered Entity, and in performing said Services, Business Associate creates, receives, maintains, or transmits Protected Health Information ("**PHI**");

WHEREAS, the Parties intend to protect the privacy and provide for the security of PHI Disclosed by Covered Entity to Business Associate, or received or created by Business Associate, when providing Services in compliance with HIPAA, the Health Information Technology for Economic and Clinical Health Act (Public Law 111-005) (the "**HITECH Act**") and its implementing regulations and guidance issued by the Secretary; and

WHEREAS, the Privacy and Security Rules (defined below) require Covered Entity and Business Associate to enter into a BAA that meets certain requirements with respect to the Use and Disclosure of PHI, which are met by this BAA.

WHEREAS, the Parties each possess PHI which is subject to the Privacy and Security Rules and may exchange this PHI between one another in furtherance of the services provided in the underlying Agreement with the flow of information being in both directions depending on the circumstances;

WHEREAS, in light of the dual flow and exchange of information, a Party may at times under the underlying Agreement be acting as a “Covered Entity” because it is sharing information in its possession and the other Party receiving the information is its “Business Associate,” or a Party may be acting as a Business Associate receiving the information from a Party that is the Covered Entity;

WHEREAS, depending on the flow of information, either Party may accordingly be referred to herein as “Covered Entity” (the Party sharing the information) and the other Party as “Business Associate” (the Party receiving the information);

WHEREAS, when a Party is acting as a Covered Entity it seeks to require the Business Associate to appropriately safeguard individually identifiable health information; and

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WHEREAS, the Party acting as the Business Associate agrees to comply with all obligations imposed upon Business Associates under the Applicable Privacy and Security Laws as outlined in this BAA.

NOW THEREFORE, in consideration of the Recitals and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS.

A. Catch-All Definition:

The following terms used in this agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, workforce, and Use/Uses.

B. Specific Definitions:

1) Business Associate. "Business Associate" shall generally have the same meaning as the term "business associate at 45 CFR 160.103, and in reference to the party to this Agreement, shall mean Kern County Hospital Authority.

2) Covered Entity. "Covered Entity" shall generally have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean Behavioral Health and Recovery Services.

3) Electronic Health Record shall have the meaning given to such term in the HITECH Act, including, but not limited to, 42 USC Section 17921.

4) HIPAA Rules. "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

5) Personal Information (PI) shall mean information that identifies or describes an individual, including, but not limited to, name, social security number, physical description, address, telephone number, education, financial matters, and medical or employment history. It includes statements made by, or attributed to, the individual.

6) Personally Identifiable Information (PII) means any information about an individual which can be used to distinguish or trace an individual's identity, such as name, social security number, date and place of birth, mother's maiden name, and biometric records. This information can be in paper or electronic files and includes, but is not limited to, education records, financial transactions, employment history, criminal records, and medical files.

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7) Privacy Rule shall mean the HIPAA Regulation that is codified at 45 CFR Parts 160 and 164, Subparts A and E, as may be amended from time to time.

8) Security Rule shall mean the Security Standards at 45 C.F.R. Parts 160 and 164, Subparts A and C, as may be amended from time to time

9) Protected Health Information (PHI) means individually identifiable health information that is transmitted or maintained in any form or medium, created or received by a health care provider or health plan, that relates to past, present, and future physical or mental health condition of an individual; provisions of healthcare to an individual; or past, present, and future payment for the provision of healthcare to an individual. Health information which is considered subject to the regulations contained in the Privacy Rule of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) including: name, date of birth, telephone number, names of relatives, names of employers, photographic images, facsimile number, medical record number, finger or voice prints, certificate/license number, social security number, internet (IP) address, web URL, e-mail address, any device or serial number, or identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual). "Protected Health Information" includes electronic protected health information.

10) Breach Notification Rule shall mean the Breach Notification for Unsecured Protected Health Information interim final rule at 45 C.F.R. Parts 160 and 164, Subpart D, as may be amended from time to time.

11) Services shall mean the services for or functions on behalf of Covered Entity performed by Business Associate pursuant to any service agreement(s) between Covered Entity and Business Associate which may be in effect now or from time to time (the "Underlying Agreement"), or, if no such agreements are in effect, then the services or functions performed by Business Associate that constitute a Business Associate relationship, as set forth in 45 C.F.R. § 160.103.

2. PERMITTED USES AND DISCLOSURES.

A. Business Associate may only use or disclose PHI, PI, or PII as necessary to perform the services set forth in the attached Agreement.

B. Business Associate may use or disclose PHI, PI, or PII as required by law.

C. Business Associate agrees to make uses and disclosures and requests for PHI, PI, or PII consistent with Covered Entity's minimum necessary policies and procedures.

D. Business Associate may not use or disclose protected health information in a matter that would violate Subpart E of 45 CFR part 164 if done by Covered Entity except for the specific uses and disclosures set forth below.

E. Business Associate may use PHI, PI, or PII for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

F. Business Associate may disclose PHI, PI, or PII for the proper management and administration of Business Associate or to carry out the legal responsibilities of the Business Associate, provided the disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

G. Business Associate may provide data aggregation services relating to the health care operations of the Covered Entity.

3. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE.

A. Business Associate agrees to:

1) Use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of protected health information other than as provided for by the Agreement;

2) In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the BA agree to the same restrictions, conditions, and requirements that apply to the BA with respect to such information;

3) Make available protected health information in a designated record set to the Covered Entity as necessary to satisfy Covered Entity's obligations under 45 CFR 164.524. If Business Associate maintains PHI in a Designated Record Set electronically, Business Associate shall provide such information in the electronic form and format requested by the Covered Entity if it is readily reproducible in such form and format, and, if not, in such other form and format agreed to by Covered Entity to enable Covered Entity to fulfill its obligations under 45 C.F.R. § 164.524(c)(2).

4) Make any amendment(s) to protected health information in a designated record set as directed or agreed to by the Covered Entity pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 CFR 164.526;

5) Maintain and make available the information required to provide an accounting of disclosures to the Covered Entity as necessary to satisfy Covered Entity's obligations under 45 CFR 164.528;

6) Provide beneficiaries with the Notice of Privacy Practices, in accordance with 45 CFR 164.520 and BHRS Policy 10.1.21;

7) To the extent the Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s);

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8) Make its internal practices, books, and records available to the Secretary for purposes of determining compliance with the HIPAA Rules;

9) Report to Covered Entity any use or disclosure of PHI, PI, or PII not provided for by the Agreement of which it becomes aware, including breaches of unsecured protected health information as required at 45 CFR 164.410, and any security incident of which it becomes aware;

10) Not use or disclose protected health information other than as permitted or required by the agreement or as required by law;

B. Acknowledgement. Business Associate acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA, the HITECH Act, and the HIPAA Rules. Business Associate shall comply with all applicable state privacy and security laws, to the extent that such state laws are not preempted by HIPAA or the HITECH Act.

4. COVERED ENTITY TO INFORM BUSINESS ASSOCIATE OF PRIVACY PRACTICES AND RESTRICTIONS.

A. Business Associate's Agents. Business Associate shall ensure that any agents, including subcontractors, to whom it provides protected health information, agree in writing to the same restrictions and conditions that apply to Business Associate with respect to such protected health information and implement the safeguards required with respect to electronic protected health information [45 CFR Section 164.504(e)(2)(ii)(D); 45 CFR Section 164.308(b)]. Business Associate shall implement and maintain sanctions against agents and subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation (see 45 CFR Sections 164.530(f) and 164.530(e)(1)).

B. Amendment of Protected Health Information. If applicable within ten (10) days of receipt of a request from Covered Entity for an amendment of protected health information or a record about an individual contained in a designated record set, Business Associate or its agents or subcontractors shall make such protected health information available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR Section 164.526. If any individual requests an amendment of protected health information directly from Business Associate or its agents or subcontractors, Business Associate must notify Covered Entity in writing within five (5) days of the request. Any approval or denial of amendment of protected health information maintained by Business Associate or its agents or subcontractors shall be the responsibility of Covered Entity [45 CFR Section 164.504(e)(2)(ii)(F)].

C. Accounting Rights. Within ten (10) days of notice by Covered Entity of a request for an accounting of disclosures of protected health information, Business Associate and its agents or subcontractors shall make available to Covered Entity the information required to provide an accounting of disclosures to enable Covered Entity to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR Section 164.528, and the HITECH Act, including but not limited to 42 U.S.C. Section 17935(c), as determined by Covered Entity. Business

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Associate agrees to implement a process that allows for an accounting to be collected and maintained by Business Associate and its agents or subcontractors for at least six (6) years prior to the request. However, accounting of disclosures from an electronic health record for treatment, payment or health care operations purposes are required to be collected and maintained for only three (3) years prior to the request, and only to the extent that Business Associate maintains an electronic health record and is subject to this requirement. At a minimum, the information collected and maintained shall include: (i) the date of disclosure; (ii) the name of the entity or person who received protected health information and, if known, the address of the entity or person; (iii) a brief description of protected health information disclosed; and (iv) a brief statement of purpose of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. In the event that the request for an accounting is delivered directly to Business Associate or its agents or subcontractors, Business Associate shall within five (5) days of a request forward it to Covered Entity in writing. It shall be the Covered Entity's responsibility to prepare and deliver any such accounting requested. Business Associate shall not disclose any protected health information except as set forth in Sections 2.b. of this Addendum [45 CFR Sections 164.504(e)(2)(G) and 165.528]. The provisions of this subparagraph shall survive the termination of this Agreement.

D. Governmental Access to Records. Business Associate shall make its internal practices, books and records relating to the use and disclosure of protected health information available to Covered Entity and to the Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining Business Associate's compliance with the Privacy Rule [45 CFR Section 164.504(e)(2)(ii)(H)]. Business Associate shall provide to Covered Entity a copy of any protected health information that Business Associate provides to the Secretary concurrently with providing such protected health information to the Secretary.

E. Data Ownership. Business Associate acknowledges that Business Associate has no ownership rights with respect to the protected health information.

F. Business Associate shall report to covered entity any use or disclosure of PHI not provided for by the agreement of which it becomes aware, including breaches of unsecured PHI as required at 45 CFR 164.410, 45 CFR Section 164.504(e)(2)(ii)(C) and 45 CFR Section 164.308(b).

G. Notification of Breach. During the term of the Agreement, Business Associate shall notify Covered Entity within twenty-four (24) hours of any suspected or actual breach of security, intrusion or unauthorized use or disclosure of PHI, PI, or PII of which Business Associate becomes aware and/or any actual or suspected use or disclosure of data in violation of any applicable federal or state laws or regulations. Business Associate shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations (including conducting a "risk of compromise" assessment including and/or appropriate patient notification under applicable state and/or federal law.)

H. Breach Pattern or Practice by Covered Entity. Pursuant to 42 U.S.C. Section 17934(b), if the Business Associate knows of a pattern of activity or practice of the Covered Entity that constitutes a material breach or violation of the Covered Entity's obligations under the

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Agreement or Addendum or other arrangement, the Business Associate must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, the Business Associate must terminate the Agreement if feasible, or if termination is not feasible, report the problem to the Secretary of DHHS. Business Associate shall provide written notice to Covered Entity of any pattern of activity or practice of the Covered Entity that Business Associate believes constitutes a material breach or violation of the Covered Entity's obligations under the Agreement or Addendum or other arrangement within five (5) days of discovery and shall meet with Covered Entity to discuss and attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.

I. Data Breach Notification and Mitigation Under Other Laws. Business Associate agrees to implement reasonable systems for the discovery and prompt reporting of any breach of individually identifiable information (including but not limited to PHI, and referred to hereinafter as "Individually Identifiable Information") that, if misused, disclosed, lost or stolen, Covered Entity believes would trigger an obligation under applicable state security breach notification laws ("State Breach") to notify the individuals who are the subject of the information. Business Associate agrees to: (i) cooperate and assist Covered Entity with any investigation into any State Breach or alleged State Breach; (ii) cooperate and assist Covered Entity with any investigation into any State Breach or alleged State Breach conducted by a state agency or Attorney General; (iii) comply with Covered Entity's determinations regarding Covered Entity's and Business Associate's obligations to mitigate to the extent practicable any potential harm to the individuals impacted by the State Breach; and (iv) assist with the implementation of any decision by Covered Entity or any State agency to notify individuals impacted or potentially impacted by a State Breach.

J. Mitigation. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of PHI by Business Associate in violation of the requirements of this BAA.

I. Audits, Inspection and Enforcement. Within ten (10) days of a written request by Covered Entity, Business Associate and its agents or subcontractors shall allow Covered Entity to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the use or disclosure of PHI, PI, or PII pursuant to this Addendum for the purpose of determining whether Business Associate has complied with this Addendum; provided, however, that (i) Business Associate and Covered Entity shall mutually agree in advance upon the scope, timing and location of such an inspection. (ii) Covered Entity shall protect the confidentiality of all confidential and proprietary information of Business Associate to which Covered Entity has access during the course of such inspection; and (iii) Covered Entity shall execute a nondisclosure agreement, upon terms mutually agreed upon by the parties, if requested by Business Associate. The fact that Covered Entity inspects, or fails to inspect, or has the right to inspect, Business Associate's facilities, systems, books, records, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this Addendum, nor does Covered Entity's (i) failure to detect or (ii) detection, but failure to notify Business Associate or require Business Associate's remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under the Agreement or Addendum. Business Associate shall notify Covered Entity within ten (10) days of learning that Business Associate has become the subject of an audit, compliance review, or complaint investigation by the Office of Civil Rights.

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5. PROVISIONS FOR COVERED ENTITY TO INFORM BA OF PRIVACY PRACTICES AND RESTRICTIONS.

A. Covered Entity shall notify Business Associate of any limitation(s) in the notice of privacy practices of Covered Entity under 45 CFR 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of protected health information.

B. Covered Entity shall notify Business Associate of any changes in, or revocation of, the permission by an individual to use or disclose his or her protected health information, to the extent that such changes may affect Business Associate's use or disclosure of protected health information.

C. Covered Entity shall notify Business Associate of any restriction on the use or disclosure of protected health information that Covered Entity has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of protected health information.

D. Business Associate shall report to Covered Entity in writing of any access, use or disclosure of protected health information not permitted by the Agreement and Addendum, and any breach of unsecured protected health information of which it becomes aware without unreasonable delay and in no case later than two (2) calendar days after discovery [42 U.S.C. Section 17921; 45 CFR Section 164.504(e)(2)(ii)(c); 45 CFR Section 164.308(b)].

E. Covered Entity agrees to obtain any consent or authorization that may be required under HIPAA or any other applicable law and/or regulation prior to furnishing Business Associate with PHI.

F. Covered Entity shall not request Business Associate to make any Use or Disclosure of PHI that would not be permitted under HIPAA if made by Covered Entity. Covered Entity agrees to fulfill its obligations under this BAA in a timely manner.

6. TERMINATION.

A. Material Breach. A breach by Business Associate of any provision of this Addendum, as determined by Covered Entity, shall constitute a material breach of the Agreement and shall provide grounds for immediate termination of the Agreement, any provision in the Agreement to the contrary notwithstanding. [45 CFR Section 164.504(e)(2)(iii)].

B. Judicial or Administrative Proceedings. Covered Entity may terminate the Agreement, effective immediately, if (i) Business Associate is named as a defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws or (ii) a finding or stipulation that the Business Associate has violated any standard or requirement of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws made in any administrative or civil proceeding in which the party has been joined.

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C. Termination for Cause. In addition to and notwithstanding the termination provisions set forth in any Underlying Agreement, upon Covered Entity's knowledge of a material breach or violation of this BAA by Business Associate, Covered Entity shall either

1) Notify Business Associate of the breach in writing, and provide an opportunity for Business Associate to cure the breach or end the violation within ten (10) business days of such notification; provided that if Business Associate fails to cure the breach or end the violation within such time period to the satisfaction of Covered Entity, Covered Entity may terminate this BAA and any Underlying Agreement upon thirty (30) calendar days written notice to Business Associate; or

2) Upon thirty (30) calendar day written notice to Business Associate, immediately terminate this BAA and any Underlying Agreement if Covered Entity determines that such breach cannot be cured.

D. Obligations of Business Associate Upon Termination. Upon termination of this Agreement for any reason, Business Associate, with respect to PHI, PI, or PII received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, shall:

1) Retain only that PHI, PI, or PII which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;

2) Return to Covered Entity the remaining PHI, PI, or PII that the Business Associate still maintains in any form;

3) Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information to prevent use or disclosure of the protected health information, other than as provided for in this Section, for as long as Business Associate retains the protected health information;

4) Not use or disclose the PHI, PI, or PII retained by Business Associate other than for the purposes for which such PHI, PI, or PII was retained and subject to the same conditions set out in this Agreement above which applied prior to termination; and

5) Return to Covered Entity or, if agreed to by Covered Entity, destroy the PHI, PI, or PII retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

E. Survival. To the extent that Business Associate retains PHI, the respective rights and obligations of the Parties set forth in this BAA shall survive the termination, expiration, cancellation, or other conclusion of the BAA or any Underlying Agreement.

7. EQUITABLE RELIEF

Business Associate understands and acknowledges that any Disclosure or misappropriation of any PHI in violation of this BAA will cause Covered Entity irreparable harm, the amount of which may be difficult to ascertain, and therefore agrees that Covered Entity shall have the right to apply

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to a court of competent jurisdiction for specific performance and/or an order restraining and enjoining any such further Disclosure or Breach and for such other relief as Covered Entity shall deem appropriate. Such right of Covered Entity is to be in addition to the remedies otherwise available to Covered Entity at law or in equity. Business Associate expressly waives the defense that a remedy in damages will be adequate and further waives any requirement in an action for specific performance or injunction for the posting of a bond by Covered Entity.

8. LEGAL ACTIONS

Promptly, but no later than five (5) business days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law.

9. NOTICE OF REQUEST OR SUBPOENA FOR DATA

Business Associate agrees to notify Covered Entity promptly, but no later than five (5) business days after Business Associate's receipt of any request or subpoena for PHI or an accounting thereof. Business Associate shall promptly comply with Covered Entity's instructions for responding to any such request or subpoena, unless such Covered Entity instructions would prejudice Business Associate. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, Business Associate agrees to reasonably cooperate with Covered Entity in such challenge. The provisions of this Section shall survive the termination of this BAA.

10. REQUESTS FROM SECRETARY

Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any inquiry by the Secretary concerning any actual or alleged violation of the Privacy Rule or the Security Rule.

11. INDEMNIFICATION.

Business Associate agrees to indemnify, defend and hold harmless Covered Entity and Covered Entity’s agents, board members, elected and appointed officials and officers, employees, volunteers and authorized representatives from any and all losses, liabilities, charges, damages, claims, liens, causes of action, awards, judgments, costs, and expenses (including, but not limited to, reasonable attorneys’ fees of County Counsel and counsel retained by COUNTY, expert fees, costs of staff time, and investigation costs) of whatever kind or nature, which arise out of or are in any way connected with any negligent act or omission of Business Associate or Business Associate’s officers, agents, employees, independent Business Associates, subcontractor of any tier, or authorized representatives. Without limiting the generality of the foregoing, the same shall include injury or death to any person or persons; damage to any property, regardless of where located, including the property of COUNTY; and any workers’ compensation claim or suit arising from or connected with any services performed pursuant to this Agreement on behalf of Business Associate by any person or entity.

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12. DISCLAIMER.

Covered Entity makes no warranty or representation that compliance by Business Associate with this Addendum, HIPAA, the HITECH Act, or the HIPAA Regulations will be adequate or satisfactory for Business Associate's own purposes. Business Associate is solely responsible for all decisions made by Business Associate regarding the safeguarding of protected health information.

13. CERTIFICATION.

To the extent that Covered Entity determines that such examination is necessary to comply with Covered Entity's legal obligations pursuant to HIPAA relating to certification of its security practices, Covered Entity or its authorized agents or Contractors, may, at Covered Entity's expense, examine Business Associate's facilities, systems, procedures and records as may be necessary for such agents or Contractors to certify to Covered Entity the extent to which Business Associate's security safeguards comply with HIPAA, the HITECH Act, the HIPAA Regulations or this Addendum.

14. AMENDMENT.

The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the Agreement or Addendum may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule and other applicable laws relating to the security or confidentiality of protected health information. The parties understand and agree that Covered Entity must receive satisfactory written assurance from Business Associate that Business Associate will adequately safeguard all protected health information. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this Addendum embodying written assurances consistent with the standards and requirement of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule or other applicable laws. Covered Entity may terminate the Agreement upon thirty (30) days written notice in the event (i) Business Associate does not promptly enter into negotiations to amend the Agreement or Addendum when requested by Covered Entity pursuant to this Section or (ii) Business Associate does not enter into an amendment to the Agreement or Addendum providing assurances regarding the safeguarding of protected health information that Covered Entity, in its sole discretion, deems sufficient to satisfy the standards and requirements of applicable laws.

15. ASSISTANCE IN LITIGATION OR ADMINISTRATIVE PROCEEDINGS.

Business Associate shall make itself, and any subcontractors, employees or agents assisting Business Associate in the performance of its obligations under the Agreement or Addendum, available to Covered Entity, at no cost to Covered Entity, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against Covered Entity, its directors, officers or employees based upon a claimed violation of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule, or other laws relating to security and privacy, except where Business Associate or its subcontractor employee or agent is a named adverse party.

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16. NO THIRD-PARTY BENEFICIARIES.

Nothing expressed or implied in the Agreement or Addendum is intended to confer, nor shall anything herein confer, upon any person other than Covered Entity, Business Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

17. EFFECT ON AGREEMENT.

Except as specifically required to implement the purposes of this Addendum, or to the extent inconsistent with this Addendum, all other terms of the Agreement shall remain in force and effect.

18. INTERPRETATION.

The provisions of this Addendum shall prevail over any provisions in the Agreement that may conflict or appear inconsistent with any provision in this Addendum. This Addendum and the Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the Privacy Rule and the Security Rule. The parties agree that any ambiguity in this Addendum shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "I" PROGRAM INTEGRITY

1. GENERAL REQUIREMENTS.

As a condition for receiving payment under a Medi-Cal managed care program, KCHA shall comply with the provisions of 42 C.F.R. §§ 438.602, 438.608, 438.610, 455.1(a)1, 455.104-455.106, 455.434; Social Security Act §§ 1128, 1156, and 1842(j)(2).

2. COMPLIANCE PROGRAM.

KCHA shall have administrative or management arrangements or procedures designed to guard against fraud and abuse. KCHA shall comply with the provisions of 42 C.F.R. 438.608.

A. Option 1: Utilize the BHRS Corporate Compliance Program:

- KCHA must designate a Compliance Officer (CO), who reports directly to the CEO and the Board of Directors (BoD) and is charged with overseeing the organization's compliance with requirements under the contract.

- KCHA must abide by all tenets of the BHRS Corporate Compliance Program.

- KCHA must adopt all policies and procedures contained within the BHRS Corporate Compliance Program.

- All KCHA's workforce members must complete BHRS Corporate Compliance training, upon hire and annually thereafter. Each workforce member who receives this training, must sign or e-sign a certification, indicating the member's name and the date on which the training was completed. These certifications must be retained for a period of six (6) years following contract termination. This will require all KCHA staff to have a BHRS Relias account.

- KCHA must establish effective lines of communication between the CO and the organization's employees.

- KCHA must provide enforcement of standards through well-publicized disciplinary guidelines.

- KCHA must establish and implement procedures and a system for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential compliance problems as identified in the course of self-evaluation and audits, correction of such problems promptly and thoroughly (or coordination of suspected criminal acts with law enforcement agencies) to reduce the potential of recurrence, and ongoing compliance with the requirements under the contract.

- KCHA's Compliance Officer must report any violation of the Corporate Compliance program, including policies and procedures contained therein, to the BHRS Compliance Officer.

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B. Option 2: KCHA shall implement and maintain a Compliance Program that must include:

- Written policies, procedures, and standards of conduct that articulate the organization's commitment to comply with all applicable requirements and standards under the contract, and all applicable federal and state requirements.

- A Compliance Officer (CO) who is responsible for developing and implementing policies, procedures, and practices designated to ensure compliance with the requirements of the contract, and who reports directly to the CEO and the Board of Directors (BoD).

- A Regulatory Compliance Committee (RCC) on the BoD and the senior management level, charged with overseeing the organization's compliance program and its compliance with the requirements under the contract.

- A system for training and education for the CO, the organization's senior management, and the organization's employees for the federal and state standards and requirements under the contract, including specialized training on KCHA's Compliance Program, including training on the False Claims Act.

- Effective lines of communication between the CO and the organization's employees.

- Enforcement of standards through well-publicized disciplinary guidelines.

- The establishment and implementation of procedures and a system with dedicated staff for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential compliance problems as identified in the course of self-evaluation and audits, correction of such problems promptly and thoroughly (or coordination of suspected criminal acts with law enforcement agencies) to reduce the potential for recurrence, and ongoing compliance with the requirements under the contract.

C. KCHA must notify the BHRS Compliance Officer, at the contact information below, within ninety (90) days of the executed contract, with which option they choose. For Option 2, KCHA must also provide to the Compliance Officer, within ninety (90) days of the executed agreement, a copy of their Compliance Program and training materials utilized to train workforce members on the Compliance Program, including training on the False Claims Act.

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Behavioral Health and Recovery Services Compliance Officer
Compliance Officer: Elizabeth Brown Behavioral Health and Recovery Services PO Box 1000 Bakersfield, CA 93302 Email: EBrown@ KernBHRS.org Telephone: (661) 868-5054

3. EXCLUDED PROVIDERS.

A. KCHA shall not knowingly have a relationship with any individual or entity that is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in any of such programs by any federal agency or by any department, agency or political subdivision of the state. For purposes of this paragraph, "principal" means an officer, director, owner of any portion of the entity, partner, key employee, subcontractor, or other person with primary management or supervisory responsibilities, or a person who has a critical influence or substantive control over KCHA's operations.

B. Consistent with the requirements of 42 C.F.R. § 438.602(d), KCHA must confirm the identity and determine the exclusion status of all employees and any subcontractor, as well as any person with an ownership or control interest, or who is an agent or managing employee through routine checks of federal and state databases. This includes checking the following databases:

1. KCHA must conduct an initial check, prior to hire new staff, of the following databases:

a. Social Security Administration's Death Master File, which is maintained by the United States Social Security Administration.

b. National Plan and Provider Enumeration System (NPPES), which is maintained by the Centers for Medicaid and Medicare.

1.KCHA understands that it must comply with the National Provider Identification (NPI) system and will provide the Department NPI numbers for all staff providing direct health care or clinical services. The KCHA further agrees to verify the NPI numbers(s) upon hiring staff, and to apply for NPI numbers on new employees within five (5) business days of the hiring date, immediately providing confirmation of NPI application to the Department. The KCHA further understands that all services entered in the Electronic Health Record (EHR) will suspend and agrees that electronic billings for services will not be accepted without the inclusion of the NPI number(s). If the NPI number is not received within 90 days after the service, the service will no longer be billable and reimbursable to the KCHA. KCHA shall notify the department within twenty-four (24) hours of any change to staff NPI numbers or related information, including the termination of employment of any KCHA staff. NPI numbers are also required for each physical delivery site.

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c. List of Excluded Individuals/Entities (LEIE), which is maintained by the United States Department of Health and Human Services (HHS), Officer of the Inspector General (OIG).

d. System for Award Management Excluded Parties List System (SAM-EPLS), which is maintained by the General Services Administration.

e. Department of Health Care Services (DHCS) MediCal Suspended and Ineligible Provider List (S&I List).

2. KCHA must conduct monthly checks of the following databases:

a. List of Excluded Individuals/Entities (LEIE).

b. System for Award Management Excluded Parties List System (SAM-EPLS).

c. Department of Health Care Services (DHCS) MediCal Suspended and Ineligible Provider List (S&I List).

C. KCHA shall submit reports in accordance with BHRS Policy 3.1.15 (Screening for Ineligible and Suspended Employees and Entities), providing verification that each database referenced in BHRS policy 3.1.15, and this section of this contract, are monitored at the required intervals (upon hire/monthly, depending on the database). KCHA shall not knowingly have a relationship with individual or entities that are excluded from participating in any Federal health care program per §1128 of the Social Security Act, including:

1. Any individual or entity that has been convicted of a criminal offense related to the delivery of an item or service under title XVIII or under any State health care program.

2. Any individual or entity that has been convicted, under Federal or State law, of a criminal offense relating to neglect or abuse of patient in connection with the delivery of a health care item or service.

3. Any individual or entity that has been convicted for a criminal offense consisting of a felony relating to fraud, theft, embezzlement, breach of fiduciary responsibility or other financial misconduct after the enactment of the Health Insurance Portability and Accountability Act of 1996.

4. Any individual or entity that has been convicted for an offense consisting of a felony relating to the unlawful manufacture, distribution, prescription, or dispensing of a controlled substance which occurred after the date of the enactment of the Health Insurance Portability and Accountability Act of 1996.

5. Federal Financial Participation is not available for any amount furnished to an excluded individual or entity, or at the direction of a physician during the period of exclusion when the person providing the service knew or had reason to know of the exclusion, or to an individual or entity when the Department failed to suspend payments during an investigation of a credible allegation of fraud. (42 U.S.C. section 1396b(i)(2).)

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6. In accordance with Section 1903(i) of the Social Security Act, the KCHA is prohibited from paying for an item or service furnished under this Contract by any individual or entity during any period when the individual or entity is excluded from participation under title V, XVIII, or XX or under this title pursuant to sections 1128, 1128A, 1156, or 1842(j)(2) of the Social Security Act.

7. Furnished at the medical direction or on the prescription of a physician, during the period when such physician is excluded from participation under title V, XVIII, or XX or under this title pursuant to sections 1128, 1128A, 1156, or 1842(j)(2) of the Social Security Act and when the person furnishing such item or service knew, or had reason to know, of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).

8. Furnished by an individual or entity to whom the state has failed to suspend payments during any period when there is a pending investigation of a credible allegation of fraud against the individual or entity, unless the state determines there is good cause not to suspend such payments.

9. With respect to any amount expended for which funds may not be used under the Assisted Suicide Funding Restriction Act (ASFRA) of 1997.

D. These lists include entities and individuals who have been suspended from receiving payments for services provided under any provider number to Medi-Cal beneficiaries. If KCHA or subcontractor is listed, this agreement shall terminate consistent with **PARAGRAPH 47, TERMINATION**. KCHA shall ensure that any excluded individual is immediately prevented from performing services resulting in claims for payment for services, directly or indirectly to a Medicare of Medi-Cal recipient. The excluded individual should also be removed from active duty in any position in which the person's salary or the services rendered or prescribed are paid in whole or in part, by federal health care programs or federal funds until such time the person is removed from the Exclusions lists. KCHA shall maintain records confirming verification of initial and monthly monitoring for a minimum of ten (10) years after the employee's separation from employment. KCHA shall provide affirmation of review to the Behavioral Health and Recovery Services Administrator monthly, the Quality Improvement Division designee during annual audits and upon request, and shall, as prescribed by Department, report any provider individual, employee or subcontractor provider, appearing on any of these exclusions lists, databases or indices. Instructions for monthly submission are found in **PARAGRAPH 8. OPTIONS TO SATISFY EXCLUSION REPORTING**

E. The parties mutually represent and warrant to one another that they and their respective representatives are not: (i) currently excluded, debarred, or otherwise ineligible to participate in the federal health care program as defined in 42 U.S.C. section 1320a-7b (f) (the federal health care programs) and/or present on the exclusion database of the Office of the Inspector General ("OIG"), the General Services Administration ("GSA") or the Medi-Cal ineligible list; (ii) convicted of a criminal offense related to the provision of health care items or services but have not yet been excluded, debarred, or otherwise declared ineligible to participate in the federal health care programs; or (iii) debarred, suspended, excluded, or disqualified by any federal governmental agency or department or otherwise declared ineligible from receiving federal contracts or federally approved sub-contracts or from receiving federal financial and nonfinancial assistance and benefits.

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F. This shall be an on-going representation and warranty during the term of this agreement and a party shall immediately notify the other party of any change in the status of any of the representations and/or warranties set forth in this section. At a minimum, the parties shall verify all current staff against the sources at the frequency identified in **EXHIBIT J - PROGRAM INTEGRITY, PARAGRAPH 3, EXCLUDED PROVIDERS, SUBPARAGRAPH B, ITEMS 1. a-e AND 2. a-c.** Any breach of this section shall give the non-breaching party the right to terminate this agreement immediately.

G. If KCHA or subcontractor is identified as an excluded provider, this agreement shall terminate consistent with the guidelines in **PARAGRAPH 48, IMMEDIATE TERMINATION.**

4. DEFICIT REDUCTION ACT

A. The parties to this agreement are aware of the provisions of Federal Deficit Reduction Act of 2005: Employee Education on False Claims Recovery and certify that they comply with Section 1902(a) of the Social Security Act.

B. Section 6032 of the Deficit Reduction Act requires any entities that receive or make annual payments under the state plan (Medi-Cal in California) of at least Five Million Dollars ($5,000,000) as a condition of receiving such payments to comply with the following requirements:

C. Establish written policies for all employees of the entity, including management and any contractor(s) or agent(s) of the entity. These written policies shall provide detailed information about the following:

1. The Federal False Claims Act, including administrative remedies for false claims and statements established under title 31, USC, Chapter 38.

2. State laws pertaining to civil or criminal penalties for false claims and statements; whistleblower protections under such laws; and the role of these laws in preventing and detecting fraud, waste and abuse in federal health care programs.

D. The written policies must include details about the KCHA's policies and procedures for detecting and preventing fraud, waste and abuse.

E. KCHA must provide employee training on the False Claims Act, including the rights of employees to be protected as whistleblowers. Documented evidence of this training is to be provided to County upon request.

5. FRAUD REPORTING REQUIREMENTS.

A. KCHA shall implement and maintain arrangements or procedures designed to detect and prevent fraud, waste and abuse that include prompt reporting to the County about the following:

1. Any potential fraud, waste or abuse. (42 C.F.R. §438.608(a), (a)(7).)

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2. All overpayments identified or recovered, specifying the overpayments due to potential fraud. (42 C.F.R. §438.608(a), (a)(2).)

3. Information about changes in a beneficiary's circumstances that may affect the beneficiary's eligibility including changes in the beneficiary's residence or the death of the beneficiary. (42 C.F.R. §438.608(a), (a)(3).)

B. If KCHA identifies an issue or receives notification of a complaint concerning an incident of potential fraud, waste or abuse, in addition to notifying the County, the KCHA shall conduct an internal investigation to determine the validity of the issue/complaint, and develop and implement corrective action, if needed, notifying the County of the outcome of the investigation.

C. KCHA shall implement and maintain written policies for all employees that provided detailed information about the False Claims Act and other federal and state laws, including information about rights of employees to be protected as whistleblowers. (42 C.F.R. §438.608(a), (a)(6).)

D. County shall suspend payments to a KCHA if there is a credible allegation of fraud. (42 C.F.R. §438.608(a), (a)(5).)

6. DISCLOSURES OWNERSHIP CONTROL INTEREST STATEMENT.

A. KCHA agrees to comply with the requirements set forth in the federal regulations 42 CFR455.104-455.106 in reference to the Medicare, Medicaid, or Title XX service programs.

B. KCHA agrees to notify County and update DISCLOSURE AND CONTROL INTEREST STATEMENT within thirty-five (35) days if a change in ownership occurs.

C. County may terminate the enrollment of any provider where any person with a five percent (5%) or greater direct or indirect ownership interest in the provider does not submit timely and accurate information and cooperate with any screening methods required in 42 CFR 455.416.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "J" – CREDENTIALING AND RE-CREDENTIALING REQUIREMENTS

A. BHRS will establish and conduct a provider Credentialing Program for credentialing and re-credentialing KCHA's network treatment providers. KCHA shall agree to comply with the terms set forth herein.

B. KCHA shall adhere to the California Department of Health Care Services' (DHCS) statewide uniform provider credentialing and re-credentialing requirements, established pursuant to Title 42 of the Code of Federal Regulations, Part 438.214.

C. BHRS will ensure that KCHA and its employees, agents, or subcontractors are qualified in accordance with current legal, professional, and technical standards, and are appropriately licensed, registered, waivered, and/or certified.

D. KCHA and its employees, agents, or subcontractors must be in good standing with the Medicaid/Medi-Cal programs. Any provider of KCHA, including contracted organizational providers, provider groups, and individual practitioners, who are excluded from participation in federal health care programs, including Medicare or Medicaid/Medi-Cal, may not participate in any BHRS provider network.

E. The uniform credentialing and re-credentialing requirements apply to all licensed, waivered, or registered mental health providers and licensed substance use disorder services providers employed by or contracting with BHRS to deliver Medi-Cal covered services.

F. BHRS and KCHA credential and evaluate physicians and Advance Practice ("APP") who apply for contracts, employment, appointment, reappointment, and clinical privileges to their medical staff/organization, and other similar affiliations. BHRS and KCHA also conduct ongoing peer review of all physicians and APP on or affiliated with their staffs/in their organizations.

G. BHRS has requested information from KMC concerning certain practitioners including physicians and APP (collectively, "Practitioners"). Pursuant to California Business and Professions Code Section 809.08, KMC desires to share peer review information with BHRS to assist BHRS in its credentialing, evaluation, and peer review functions.

H. KCHA shall observe the following requirements:

1. For all licensed, waivered, registered and/or certified providers, BHRS will verify and document the information listed below. The listed requirements are not applicable to all provider types. When applicable to the provider type, the information must be verified by BHRS through an auditing process of KCHA's primary source verification efforts or by KCHA submitting these documents directly to the BHRS Credentialing Unit or designee. This will be required unless KCHA can demonstrate the required information has been previously verified by the applicable licensing, certification, and/or registration board.

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2. KCHA shall submit the following information for their employees, agents, or subcontractors at the time of hire and at the various timelines listed below to the BHRS Credentialing Unit or designee. BHRS reserves the right to audit the primary source verification that KCHA reports it is doing for their employees on a quarterly basis. Regardless if KCHA submits all information to BHRS to credential or KCHA's credentialing process is audited, KCHA must submit all credentialing requirements to BHRS Credentialing team or designee at the time of hire of any new employee.

a. PRIMARY SOURCE VERIFICATION shall be required in the following areas at the time of hire and every three (3) years thereafter unless KCHA can demonstrate the required information has been previously verified by the applicable licensing, certification and/or registration board:

i. The appropriate license and/or board certification or registration, as required for the particular provider type;

ii. Evidence of graduation or completion of any required education, as required for the particular provider type;

iii. Proof of completion of any relevant medical residency and/or specialty training, as required for the particular provider type; and

iv. Satisfaction of any applicable continuing education requirements, as required for the particular provider type.

b. ADDITIONAL INFORMATION shall be required in the following areas from KCHA and its employees, agents or subcontractors, as applicable, at the time of hire and every three (3) years thereafter; however, BHRS does not need to verify this information through a primary source:

i. Work history;

ii. Hospital and clinic privileges in good standing;

iii. History of any suspension or curtailment of hospital and clinic privileges;

iv. Current Drug Enforcement Administration identification number;

v. National Provider Identifier number;

vi. Current malpractice insurance in an adequate amount, as required for the particular provider type;

vii. History of liability claims against the provider;

viii. Provider information, if any, entered in the National Practitioner Data Bank, when applicable. See https://www.npdb.hrsa.gov/ ;

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ix. History of sanctions from participating in Medicare and/or Medicaid/Medi-Cal: providers terminated from either Medicare or Medi-Cal, or on the Suspended and Ineligible Provider List, may not participate in the Plan's provider network. This list is available at: http://files.medical.ca.gov/pubsdoco/SandILanding.asp

x. History of sanctions or limitations on the provider's license issued by any state's agencies or licensing boards;

xi. Employee Attestation consisting of five (5) required elements:

- Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;
- A history of loss of license or felony conviction;
- A history of loss or limitation of privileges or disciplinary activity;
- A lack of present illegal drug use; and
- The application's accuracy and completeness

xii. Provider recredentialing- At a minimum of every 3 years, KCHA will ensure each KCHA provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements listed above. KCHA must require each provider to submit any updated information needed to complete the re-credentialing process, as well as complete a new signed attestation. Re-credentialing should also include documentation that KCHA has considered from other sources pertinent to the credentialing process, such as quality improvement activities, beneficiary grievance and medical reviews.

c. INFORMATION EXCHANGE. Upon the signing of this Agreement, KCHA agrees to provide BHRS with access to Credentialing files and what ties into it such as; affiliation verifications, claim history reports, completed peer reference forms, pertinent peer review or quality assurance and any documents containing information to assist BHRS in assessing the competence, conduct and performance of Practitioners that will help in the Initial and reappointment privileging, as well as credentialing audits performed by BHRS. The request shall be complied with in an efficient manner. Information will be provided by visual access only of documents in possession of KCHA. Furthermore, to avoid duplicating credentialing efforts by both BHRS and KCHA, after a physician has been credentialed by KCHA, BHRS will accept a letter from KCHA credentialing staff indicating that a physician was fully credentialed by their organization and in adherence with state and federal guidelines that dictate credentialing standards.

d. INDEPENDENT ACTIONS. It is understood that BHRS is required to reach its own conclusions regarding the qualifications, staff status, or privileges of Practitioners. The

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exchange of information authorized under this Agreement is intended to facilitate, and not to substitute for BHRS making its own assessment of Practitioners.

e. CONFIDENTIALITY. BHRS and KCHA recognize that the information exchanged under this Agreement is confidential. To the extent such information is protected by Section 1157 of the California Evidence Code, it is intended to remain protected after transmission under this Agreement. BHRS commits to maintain the confidentiality of information received under this Agreement and to use the information received only for its own credentialing, peer review, evaluation and quality improvement purposes and not to further disclose such information without written consent of KMC.

f. INDEMNIFICATION. County shall indemnify and hold harmless KCHA and KMC for any and all claims, demands, liabilities, losses, damages, costs, and expenses, including reasonable attorneys' fees, resulting in any manner, directly or indirectly, from BHRS' improper release or disclosure of information shared pursuant to this Agreement and Section 809.08. This indemnity obligation shall survive the expiration or termination of the Peer Review Sharing Agreement with respect to information provided to BHRS by KMC.

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KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "K" – DHCS REQUIRED QUALITY STANDARDS FOR LICENSED, WAIVERED, REGISTERED AND/OR CERTIFIED PROVIDERS

A. BHRS and KCHA shall adhere to the California Department of Health Care Services' (DHCS) Title 42 of the Code of Federal Regulations, Part 438.214 and to DHCS MHSUDS Information Notice No. 18-019, in order to ensure that providers are licensed, registered, waivered, and/or certified as required by state and federal law.

B. Pursuant to California Business and Professions Code Section 809.08, KCHA desires to share peer review information with BHRS to assist BHRS in its credentialing, evaluation, and peer review functions.

C. KCHA Human Resources shall observe the following requirements for Licensed Practitioners of the Healing Arts (LPHA), Clinicians and Nurses (Registered Nurse or Vocational Nurse) working on the KCHA Behavioral Health Unit (BHU): For all licensed, waivered, registered and/or certified Practitioners, BHRS will verify KCHA's primary source verification efforts either through an auditing process of KCHA's primary source verification efforts or through KCHA submitting these documents directly to the BHRS Credentialing Team or designee.

a. PRIMARY SOURCE VERIFICATION shall be required in the following areas at the time of Nurse hire and prior to expiration of licensure and/or certification, as applicable.

i. The appropriate license and/or board certification or registration, as required for the particular provider type;

ii. Evidence of graduation or completion of any required education, as required for the particular provider type, this may be satisfied by the licensing agency as a condition of license issuance;

iii. Proof of completion of any relevant medical residency and/or specialty training, as required for the particular provider type; and

iv. Satisfaction of any applicable continuing education requirements, as required for the particular provider type.

v. Work history;

vi. National Provider Identifier number;

vii. Practitioner information, if any, entered in the National Practitioner Data Bank, when applicable. See https://www.npdb.hrsa.gov/ ;

i. History of sanctions from participating in Medicare and/or Medicaid/Medi-Cal: providers terminated from either Medicare or Medi-Cal, or on the Suspended and Ineligible Provider List, may not participate in the Plan's provider network.

This list is available at: http://files.medical.ca.gov/pubsdoco/SandILanding.asp
KCHA uses Provider Trust to validate the suspended and ineligible provider list.

j. History of sanctions or limitations on the provider's license issued by any state's agencies or licensing boards;

k. Employee Attestation consisting of five (5) required elements:

- Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation.
- A history of loss of license or felony conviction;
- A history of loss or limitation of privileges or disciplinary activity;
- A lack of present illegal drug use; and
- The application's accuracy and completeness

D. KCHA Credentialing shall observe the following requirements for Physician, non-physician Licensed Practitioner of the Healing Arts (LPHAs – Nurse Practitioner and/or Physician Assistant) Credentialing working on the BHU:

a. PRIMARY **SOURCE VERIFICATION** shall be required in the following areas at the time of Practitioner credentialing and prior to expiration of licensure and/or board certification, as applicable.

i. The appropriate license, as required;

ii. The appropriate board certification as required;

iii. Evidence of graduation or completion of any required education, as required for the particular provider type;

iv. Proof of completion of any relevant medical residency and/or specialty training, as required for the particular provider type; and

v. Work history;

vi. Satisfaction of any applicable continuing education requirements, as required for the particular provider type.

1. **ADDITIONAL INFORMATION** KCHA will verify and document the following information from each Practitioner every two (2) years thereafter, as applicable.
   a. Work history;

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b. Hospital and clinic privileges in good standing;

c. History of any suspension, reduction or revocation or of clinical privileges;

d. Current, unrestricted Drug Enforcement Administration certification;

f. Current malpractice insurance in an adequate amount, as required for the particular Practitioner;

g. History of liability claims against the Practitioner;

h. Practitioner information, if any, entered in the National Practitioner Data Bank, when applicable. See https://www.npdb.hrsa.gov/ ;

i. History of sanctions from participating in Medicare and/or Medicaid/Medi-Cal: providers terminated from either Medicare or Medi-Cal, or on the Suspended and Ineligible Provider List, may not participate in the Plan's provider network. This list is available at: http://files.medical.ca.gov/pubsdoco/SandILanding.asp KCHA currently uses Search the Exclusions Database | Office of Inspector General (hhs.gov) and SAM.gov to verify and monitor any sanctions or exclusions.

j. History of sanctions or limitations on the provider's license issued by any state's agencies or licensing boards;

k. Employee Attestation consisting of five (5) required elements:

- Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation.
- A history of loss of license or felony conviction;
- A history of loss or limitation of privileges or disciplinary activity;
- A lack of present illegal drug use; and
- The application's accuracy and completeness

2., To avoid duplicating credentialing efforts by both BHRS and KCHA, after a physician has been credentialed by KCHA, BHRS will accept a letter from KCHA credentialing staff indicating that a physician was fully credentialed by their organization and in adherence with state and federal guidelines that dictate credentialing standards.

E. EXCHANGE. KCHA agrees to provide BHRS with information regarding Licensed Practitioners of the Healing Arts (LPHA), Clinicians and Nurses (Registered Nurse or Vocational Nurse) credentialing files as outlined in Section C of this Exhibit. The requested

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information will be limited to fulfil the requirements of BHRS' LPHA and Nurses credentialing audits. The request shall be complied with in an efficient manner.

F. CONFIDENTIALITY. BHRS and KCHA recognize that the information exchanged under this Agreement is confidential. To the extent such information is protected by Section 1157 of the California Evidence Code, it is intended to remain protected after transmission under this Agreement. BHRS commits to maintain the confidentiality of information received under this Agreement and to use the information received only for its own credentialing, peer review, evaluation and quality improvement purposes and not to further disclose such information without written consent of KCHA.

G. INDEMNIFICATION. County shall indemnify, defend, and hold harmless KCHA and Kern Medical for any and all claims, demands, liabilities, losses, damages, costs, and expenses, including reasonable attorneys' fees, resulting in any manner, directly or indirectly, from BHRS' improper release or disclosure of information shared pursuant to this Agreement and Section 809.08. This indemnity obligation shall survive the expiration or termination of the Peer Review Sharing Agreement with respect to information provided to BHRS by KCHA.

KERN COUNTY HOSPITAL AUTHORITY

EXHIBIT "L" - DISCLOSURE OF OWNERSHIP AND CONTROL INTEREST STATEMENT

NOTE: COMPLETED COPY ON FILE WITH CONTRACT MONITORING TEAM

The federal regulations set forth in 42 CFR 455.101, 455.104, 455.105, 455.106, and 455.434 require providers who are entering into or renewing a provider agreement to disclose to the U.S. Department of Health and Human Services, the state Medicaid agency, and to Managed Care Organizations that contract with the state Medicaid Agency: 1) the identity of all owners with a control interest of five percent **(5%) or greater**, 2) certain business transactions as described in 42 CFR 455.105 and 3) the identity of any excluded individual or entity with an ownership or control interest in the provider, the provider group, or disclosing entity or who is an agent or managing employee of the provider group or entity or who is an agent or managing employee of the provider entity and 4) arrange for fingerprint clearance for criminal background checks and submit proof of clearance along with Disclosure of Ownership and Control Interest Statement documentation. Any changes in ownership during the contract year will require all documentation to be updated. **Please attach a separate sheet if necessary.**

Provider Entity Information
Circle the Type of disclosing entity: **____Individual Member of a Group or Sole Proprietor ____Partnership ____Corporation ____Limited Liability** **____Other (Specify)_____**
Legal Name of individual or entity ("**Provider Entity**"):
DBA Name:
Group Name:
Primary/Main Office Address:
Mailing Address (if different from above)
Practice Address 1:
Practice Address 2:
Federal Tax Identification #:
Medicaid ID#:
National Provider ID (NPI) #:
Provider CAQH #:

***If applicable, add the group, provider or health care professional name and EIN when the Provider Entity is part of a group practice, attach a separate sheet if necessary.**

Section I

Are there any individuals or organizations with an Ownership or Control Interest of 5% or more in the Provider Entity?
___Yes ___No
List the **name, title, address, date of birth (DOB)** and **Social Security Number** (SSN) for **all individuals** having an ownership or control interest in the Provider Entity of 5% or greater. This Should match those listed in the organizational chart. For Owners list the percentage of ownership. Attach additional pages if needed to **identify all parties** with ownership or control interest.
List the name, Tax Identification Number (TIN), business address of each organization, corporation, or entity having an ownership of corporation, or entity having an Ownership or Control Interest of **5% or greater**. (42 CFR 455.104 (b) (1) (ii))

Name/Title	**DOB**	**Address**	**Address**	**SSN (if listing an individual) TIN (if listing an**	**% Interest**

Section II

Are any of the individuals listed in Section I above related to each other? ___**Yes** ___**No**

If yes, list the individuals identified and the relationship to each other (spouse, sibling, parent, child).
Are any individuals listed in Section I above related to any individuals with an ownership or control interest in any of the subcontractors listed in Section III below? ___**Yes** ___**No**

If yes, list their name and relationship. (42 CFR.455.104 (b) (2))

Name of Individual	Relationship

Section III

Does the Provider Entity have a Direct or Indirect Ownership Interest in any Subcontractor 5% or more that another individual or organization also has an Ownership or Controlling Interest? ___**Yes** ___**No**
If yes, list the following information for each person with an Ownership or controlling Interest in any Subcontractor in which the Provider Entity has Direct or Indirect Ownership of 5% or more. (42 CFR 455.104)

Name/Title	Address	DOB	SSN or TIN	% Interest

Section IV

Has any person who has an ownership or control interest in the provider entity, or is an agent or managing employee of the Provider Entity ever been convicted of a crime related to that person's involvement in any program under Medicaid, Medicare or Title XX program? ___**Yes** ___**No** (verify through HHS-OIG List of Excluded individuals/Entities (LEIE), General Services Administration (GSA) Excluded Parties List (EPLS), the Medicare Exclusion Database (the MED) databases and any State specific database.) **Any person who has a 5% or more direct or indirect interest must also submit fingerprints and a background check.**

If yes, please list those persons below. (42 CFR 455.106)

Name/Title	DOB	Address	SSN (if listing an individual) TIN (if listing an entity)

Section V
Business Transactions: Has the provider Entity had any business transactions with Subcontractors or Wholly Owned Supplier totaling more than $25,000 or 5% or operating expenses in the previous twelve (12) month period? ___**Yes** ___ If yes, list the ownership of Subcontractor with whom the Provider Entity **has had a business transactions total more than $25,000** during the previous twelve 12-month period; **and any Significant Business Transaction between this provider and any wholly owned supplier** exceeding the lesser of $25,000 or 5% operating expense, during the past 5-year period. This information must be provided within 35 days of request. Attach a separate sheet if necessary. (42 CFR 455.104 and 42 CFR 455.105)

Name of supplier/ Subcontractor	**Address**	**Owner**	**SSN (if listing an individual) TIN (if listing an entity)**	**Transaction Amount**

Section VI
Managing Employees: Does the Provider Entity have any Managing Employees? **Yes No** If yes, for Disclosing Entities, list each member of the Board of Directors, Governing Board, and Managing Employees (general manager, business manager, administrator or director), including the name, date of birth (DOB), Address, Social Security Number (SSN), and percent of interest.

Name/Title	**DOB**	**Address**	**SSN (if listing an individual)**	**% Interest**

I certify that the information provided herein, is true, accurate and complete.

Any person who has a 5% or more direct or indirect interest must also submit fingerprints and a background check results with the Disclosure of Ownership form.

Additions or revisions to the information above will be submitted immediately upon revision. Additionally, I understand that misleading, inaccurate, or incomplete data may result in a denial of participation. Individuals and Sole Proprietors must sign their own form. An authorized representative may sign for Partnership, Corporation, LLC or Other disclosing entities.

_____ _____

Signature **Title (indicate if authorized Agent)**

_____ _____

Name (please print) **Date**

[END OF MOU]

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Change Order to First Amendment 082-2025 with Qualtrics LLC for Patient and Employee Experience Surveys

Recommended Action: Approve, Authorize Chairman to Sign

Summary:

Kern Medical requests your Board's approval of the proposed Change Order with Qualtrics to increase the sample size for the HCAHPS program by 3,000 surveys via email with mail follow-up. This Change Order will extend the annual patient survey sample size to 5,500. Qualtrics is a software company that offers leading surveying and analytics services. Kern Medical utilizes Qualtrics to capture both the patient and employee experience. Qualtrics has been a trusted partner with Kern Medical for over three years.

Qualtrics provides patient surveys that are used to ensure compliance with Center for Medicare and Medicaid Services regulations around Hospital Consumer Assessment of Healthcare Providers and Systems and Outpatient and Ambulatory Surgery Consumer Assessment of Healthcare Providers and Systems. Kern Medical also utilizes Qualtrics surveys to comply with concerns specific to Community Health Center regulations, promulgated by the Health Resources and Services Administration.

Qualtrics surveys are also used by human resources to gauge employee experience. This data is shared with leaders around the organization, who use the data to improve their management capabilities and create a more engaging and supportive work environment for their staff. Additionally, Qualtrics provides software that allows Kern Medical to create unique surveys to measure the efficiency of improvement initiatives throughout hospital departments and clinics. The robust analytical capabilities of Qualtrics allows Kern Medical to create real-time dashboards that can be shared with stakeholders throughout the organization. This data is regularly presented in safety huddles, clinic meetings, and physician department meetings.

The proposed Change Order will add an additional cost $38,250 to the previously extended term of November 16, 2025 to November 15, 2028.

Therefore, it is recommended that your Board approve the proposed Change Order increasing the patient survey sample size from 2,500 to 5,500, adding an additional cost of $38,250 to cover the additional services, increasing the maximum payable of this agreement from $714,459 to $752,709, within the current term of November 23, 2022 through November 15, 2028, and authorize the Chairman to sign.

Docusign Envelope ID: B787E3A7-5878-4B6A-A61B-ECCC096B0FE4

qualtrics XM

Change Order

Parties:	Qualtrics, LLC ("Qualtrics") Kern Medical Center ("Customer") Qualtrics and Customer are sometimes referred to herein individually as a "Party", and collectively the "Parties."
Effective Date:	The signature date of the last party to sign.
Issuance Date:	This Order Form is issued on **February 10, 2026**. All pricing and terms set forth in this Order Form is only valid for **90** days from this Issuance Date, unless otherwise noted.
Amended Document:	The Order Form between the parties dated as of August 20, 2025 ("Prior Order Form")
Amendments:	All amendments are detailed in Schedule 1 - Amendments.
Additional Terms:	If the provisions of this Change Order and the Prior Order Form conflict, then the provisions of this Order Form will control. Except as expressly modified by this Change Order, the terms of the Prior Order Form shall remain in full effect. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Prior Order Form.
Email Address for Invoice Submission:	roby.hunt@kernmedical.com

Qualtrics	**Customer**
By (signature): DocuSigned by: Mark Creer F3B7DF9FFCA34AF...	By (signature):
Name: Mark Creer	Name:
Title: Deputy General Counsel	Title:
Date: April 9, 2026	Date:

Date Requested		**Change Number**	
Title of Request		**Requested By**	

APPROVED AS TO FORM:
Legal Services Department

By Shannon Hochstein
Kern County Hospital Authority

Docusign Envelope ID: B787E3A7-5878-4B6A-A61B-ECCC096B0FE4

qualtrics XM

Change Order

Schedule 1 - Amendments

1) **Scope of Change(s) Requested**
   a) Increase sample size for the HCAHPS program to 3,000 surveys via Email with Mail follow-up.
2) **Reason for Change(s)**
   a) Additional 3,000 HCAHPS surveys included in the project scope.

Change(s) to SOW

b) Section: Schedule 1: Research Services Deliverable Description, Section Heading: HCAHPS Survey - Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS), Subsection: Survey Delivery Details.
   i) Updated Language
      (1) HCAHPS
         (a) Updates to sampling strategy to be effective May 1, 2026.
         (b) Additional Total Annual Sample Size: 5,500
         (c) Survey Modality: Email with Mail follow-up
         (d) Languages: English, Spanish
      (2) Assumptions
         (a) No changes to any other items in the original Order Form.
         (b) Increased survey volume will utilize the existing file setup and dashboards.
         (c) Survey length will not exceed four pages for either HCAHPS.
         (d) Any additional changes or items needing additional work may be subject to additional costs.
         (e) The changes outlined in this contract will not be applicable until May 1st.

3) **Annual Fees**

Year 1 (November 16, 2025 to November 15, 2026)

Item(s)	Invoice Date	Price (USD)
HCAHPS Increased Sample	Date Signed	$12,750.00
	Total:	**$12,750.00**

Year 2 (November 16, 2026 - November 15, 2027)

Item(s)	Invoice Date	Price (USD)
HCAHPS Increased Sample	Date Signed	$12,750.00
	Total:	**$12,750.00**

Year 3 (November 16, 2027 - November 15, 2028)

Docusign Envelope ID: B787E3A7-5878-4B6A-A61B-ECCC096B0FE4

qualtrics XM

Change Order

Item(s)	Invoice Date	Price (USD)
HCAHPS Increased Sample	Date Signed	$12,750.00
	Total:	**$12,750.00**

a) Payment terms are 30 days following the invoice.
b) Annual fees will co-term with the existing contract dates.
c) The addition of 3,000 HCAHPS surveys is intended solely for budgeting purposes and will not take effect until **May 1 2026**.

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Value Rental Agreement with UBEO West, LLC to purchase printing hardware, software, and maintenance services under the terms of the previously approved Rental Agreement (009-2026).

Recommended Action: Approve; Authorize Chairman to sign; Authorize Chief Executive Officer to sign for purchases up to the approved maximum payable

Summary:

Kern Medical respectfully requests Board approval of the proposed value rental agreement with UBEO West, LLC to establish a revised spending limit under the newly approved terms and conditions.

On January 21, 2026, the Board approved updated terms and conditions (Agreement #009-2026). As a result, the prior rental agreement (Agreement 064-2024), including its associated spending limit, was made obsolete.

Under Agreement 064-2024, approved on April 17, 2024, the Board authorized a maximum payable of $1,774,048 to include all purchased hardware, technology, and services.

Kern Medical is requesting approval to carry forward the remaining preapproved spending authority from the old agreement (064-2024) into the new agreement (009-2026), establishing an amount not to exceed of $600,000 for the remaining twelve (12) months of the original term, May 1, 2024 through April 30, 2027.

Counsel is unable to approve as to form due to non-standard terms which include late charges, vague effective date, early termination penalties, attorney fees for prevailing party, waiver of jury trial, limitation of liability, and no liability for third party suppliers. Efforts were made to negotiate with the vendor, but to no avail.

Therefore, it is recommended that your Board approve the proposed Value Rental Agreement with UBEO West, LLC to update the maximum payable to $600,000 for the purchase of printing hardware, software and maintenance, authorize the Chairman to sign, and the Chief Executive Officer to sign for future purchases up to the approved maximum payable of $600,000 within the remaining term.

ubeo BUSINESS SERVICES

APPLICATION NO.	AGREEMENT NO.
3195188	

VALUE RENTAL AGREEMENT

3131 Esplanade • Chico, CA 95973 • Phone: 530.343.6065 • Fax: 530.343.9470

The words "**User**," "**Lessee**," "**you**" and "**your**" refer to **Customer**. The words "**Owner**," "**Lessor**," "**we**," "**us**" and "**our**" refer to **UBEO West, LLC**.

CUSTOMER INFORMATION

FULL LEGAL NAME			STREET ADDRESS	
KERN COUNTY HOSPITAL AUTHORITY			1700 Mount Vernon Ave	
CITY	STATE	ZIP	PHONE	FAX
Bakersfield	CA	93306	(661) 326-2000	
BILLING NAME (IF DIFFERENT FROM ABOVE)			BILLING STREET ADDRESS	
CITY	STATE	ZIP	E-MAIL	
EQUIPMENT LOCATION (IF DIFFERENT FROM ABOVE)				

EQUIPMENT DESCRIPTION

MAKE/MODEL/ACCESSORIES	SERIAL NO.	STARTING METER	NOT FINANCED UNDER THIS AGREEMENT
Ricoh IM C3000			☐
Ricoh IM 460F			☐
Ricoh MP305SPF			☐
			☐
			☐
			☐
			☐
			☐

☐ See attached Schedule A ☐ See attached Billing Schedule

TERM AND PAYMENT INFORMATION

14 Payments* of $ 1124.58 *If you are exempt from sales tax, attach your certificate.* **plus applicable taxes*

The payment ("Payment") period is monthly unless otherwise indicated.

Payment includes	0	B&W images per month	Overages billed at $	$0.0066	per B&W image*
Payment includes	0	General Color images per month	Overages billed at $	$0.06	per General Color image*
Payment includes		Pro. Color images per month	Overages billed at $		per Pro. Color image*
Payment includes		scans per month	Overages billed at $		per scan*

Please check one: **Meter Readings verified:** ☐ Monthly ☐ Quarterly ☐ Other: _____ (If nothing is selected, then Quarterly will be your Meter Reading option.)

Upon acceptance of the Equipment, THIS AGREEMENT IS NONCANCELABLE, IRREVOCABLE AND CANNOT BE TERMINATED.

OWNER ACCEPTANCE

OWNER	SIGNATURE	TITLE	DATED
UBEO West, LLC			

CUSTOMER ACCEPTANCE

BY SIGNING BELOW OR AUTHENTICATING AN ELECTRONIC RECORD HEREOF, YOU CERTIFY THAT YOU HAVE REVIEWED AND DO AGREE TO ALL TERMS AND CONDITIONS OF THIS AGREEMENT ON THIS PAGE AND ON PAGE 2 ATTACHED HERETO.

CUSTOMER (as referenced above)	SIGNATURE	TITLE	DATED
KERN COUNTY HOSPITAL AUTHORITY	X	Chairman, Board of Governors	April 15, 2026
FEDERAL TAX I.D. #	PRINT NAME		
	Phil McLaughlin		

TERMS AND CONDITIONS *(Continued on Page 2)*

1. **AGREEMENT:** You agree to rent from us the goods, together with all replacements, parts, repairs, additions, and accessions incorporated therein or attached thereto and any and all proceeds of the foregoing, including, without limitation, insurance recoveries ("Equipment") and, if applicable, finance certain software, software license(s), software components and/or professional services in connection with software (collectively, the "Financed Items," which are included in the word "Equipment" unless separately stated) from software licensor(s) and/or supplier(s) (collectively, the "Supplier"), all as described in this Agreement and in any attached schedule, addendum or amendment hereto ("Agreement"). You represent and warrant that you will use the Equipment for business purposes only. You agree to all of the terms and conditions contained in this Agreement, which, with the acceptance certification, is the entire agreement between you and us regarding the Equipment and which supersedes any purchase order, invoice, request for proposal, response or other related document. This Agreement becomes valid upon execution by us. In order to facilitate an orderly transition, the start date of this Agreement will be the date the Equipment is delivered to you or a date designated by us, as shown on the first invoice. If a later start date is designated, in addition to all Payments and other amounts due hereunder, you agree to pay us a transitional payment equal to 1/30th of the Payment, multiplied by the number of days between the date the Equipment is delivered to you and the designated start date. The first Payment is due 30 days after the start of this Agreement and each Payment thereafter shall be due on the same day of each month. In addition, should this Agreement replace a previous UBEO West, LLC generated equipment rental, a CLOSING BILL on the agreement being replaced, up to the installation date of the new equipment, will be sent approximately (10) days after delivery of the new equipment. You agree to pay this CLOSING BILL charges as they represent valid charges for product and services provided under the prior agreement up to the installation date of the new equipment. If any provision of this Agreement is declared unenforceable, the other provisions herein shall remain in full force and effect to the fullest extent permitted by law.

2. **OWNERSHIP; PAYMENTS; TAXES AND FEES:** We own the Equipment, excluding any Financed Items. Ownership of any Financed Items shall remain with Supplier thereof. You will pay all Payments, as adjusted, when due, without notice or demand and without abatement, set-off, counterclaim or deduction of any amount whatsoever. If any part of a Payment is more than 5 days late, you agree to pay a late charge of 10% of the Payment which is late or, if less, the maximum charge allowed by law. The Payment may be adjusted proportionately upward or downward: (i) if the shipping charges or taxes differ from the estimate given to you; and/or (ii) to comply with the tax laws of the state in which the Equipment is located. You shall pay all applicable taxes, assessments and penalties related to this Agreement, whether levied or assessed on this Agreement, on us (except on our income) or you, or on the Equipment, its rental, sale, ownership, possession, use or operation. If we pay any taxes or other expenses that are owed hereunder, you agree to reimburse us when we request. You agree to pay us a yearly processing fee of up to $50 for personal property taxes we pay related to the Equipment. You agree to pay us a fee of up to $50 for filing and/or searching costs required under the Uniform Commercial Code ("UCC") or other laws. You agree to pay us an origination fee of $125 for all closing costs. We may apply all sums received from you to any amounts due and owed to us under the terms of this Agreement. If for any reason your check is returned for insufficient funds, you will pay us a service charge of $30 or, if less, the maximum charge allowed by law. We may make a profit on any fees, estimated tax payments and other charges paid under this Agreement.

3. **EQUIPMENT; SECURITY INTEREST:** At your expense, you shall keep the Equipment: (i) in good repair, condition and working order, in compliance with applicable laws, ordinances and manufacturers' and regulatory standards; (ii) free and clear of all liens and claims; and (iii) at your address shown on page 1, and you agree not to move it unless we agree in writing. You grant us a security interest in the Equipment to secure all amounts you owe us under this Agreement or any other agreement with us ("Other Agreements"), except amounts under Other Agreements which are secured by land and/or buildings. You authorize and ratify our filing of any financing statement(s) to show our interest. You will not change your name, state of organization, headquarters or residence without providing prior written notice to us. You will notify us within 30 days if your state of organization revokes or terminates your existence.

4. **INSURANCE; COLLATERAL PROTECTION; INDEMNITY; LOSS OR DAMAGE:** You agree to keep the Equipment fully insured against all risk, with us named as lender's loss payee, in an amount not less than the full replacement value of the Equipment until this Agreement is terminated. You also agree to maintain commercial general liability insurance with such coverage and from such insurance carrier as shall be satisfactory to us and to include us as an additional insured on the policy. You will provide written notice to us within 10 days of any modification or cancellation of your insurance policy(s). You agree to provide us certificates or other evidence of insurance acceptable to us. If you do not provide us with acceptable evidence of property insurance within 30 days after the start of this Agreement, we may, at our sole discretion, to do so as provided in either (A) or (B) below, as determined in our discretion: (A) We may obtain insurance covering our interest (and only our interest) in the Equipment for the Agreement term and renewals. Any insurance we obtain will not insure you against third party or liability claims and may be cancelled by us at any time. You may be required to pay us an additional amount each month for the insurance premium and an administrative fee. The cost may be more than the cost of obtaining your own insurance; or (B) We may charge you a monthly property damage surcharge of up to .0035 of the Equipment cost as a result of our credit risk and administrative and other costs, as would be further described on a letter from us to you. We may make a profit on this program. NOTHING IN THIS PARAGRAPH WILL RELIEVE YOU OF RESPONSIBILITY FOR LIABILITY INSURANCE ON THE EQUIPMENT. We are not responsible for, and you agree to hold us harmless and reimburse us for and to defend on our behalf against, any claim for any loss, expense, liability or injury caused by or in any way related to delivery, installation, possession, ownership, renting, manufacture, use, condition, inspection, removal, return or storage of the Equipment. All indemnities will survive the expiration or termination of this Agreement. You are responsible for any loss, theft, destruction or damage to the Equipment ("Loss"), regardless of cause, whether or not insured. You agree to promptly notify us in writing of any Loss. If a Loss occurs and we have not otherwise agreed in writing, you will promptly pay to us the unpaid balance of this Agreement, including any future Payments to the end of the term plus the anticipated residual value of the Equipment, both discounted to present value at 2%. Any proceeds of insurance will be paid to us and credited against the Loss. You authorize us to sign on your behalf and appoint us as your attorney-in-fact to endorse in your name any insurance drafts or checks issued due to a Loss.

5. **ASSIGNMENT: YOU SHALL NOT SELL, TRANSFER, ASSIGN, ENCUMBER, PLEDGE OR SUBRENT THE EQUIPMENT OR THIS AGREEMENT, without our prior written consent which will not be unreasonably withheld.** You shall not consolidate or merge with or into any other entity, distribute, sell or dispose of all or any substantial portion of your assets other than in the ordinary course of business, without our prior written consent, and the surviving, or successor entity or the transferee of such assets, as the case may be, shall assume all of your obligations under this Agreement by a written instrument acceptable to us. No event shall occur which causes or results in a transfer of majority ownership of you while any obligations are outstanding hereunder. We may sell, assign, or transfer this Agreement without notice to or consent from you. You agree that if we sell, assign or transfer this Agreement, our assignee will have the same rights and benefits that we have now and will not have to perform any of our obligations. **You agree that our assignee will not be subject to any claims, defenses, or offsets that you may have against us.** This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns.

6. **DEFAULT AND REMEDIES:** You will be in default if: (i) you do not pay any Payment or other sum due to us or you fail to perform in accordance with the covenants, terms and conditions of this Agreement or any other agreement with us or any of our affiliates or fail to perform or pay under any material agreement with any other entity; (ii) you make or have made any false statement or misrepresentation to us; (iii) you or any guarantor dies, dissolves, liquidates, terminates existence or is in bankruptcy; (iv) you or any guarantor suffers a material adverse change in its financial, business or operating condition; or (v) any guarantor defaults under any guaranty for this Agreement. If you are ever in default, at our option, we can cancel this Agreement and require that you pay the unpaid balance of this Agreement, including any future Payments to the end of term plus the anticipated residual value of the Equipment, both discounted to present value at 2%. We may recover default interest on any unpaid amount at the rate of 12% per year. Concurrently and cumulatively, we may also use any remedies available to us under the UCC and any other law and we may require that you immediately stop using any Financed Items. If we take possession of the Equipment, you agree to pay the costs of repossession, moving, storage, repair and sale. The net proceeds of the sale of any Equipment will be credited against what you owe us under this Agreement and you will be responsible for any deficiency. In the event of any dispute or enforcement of our rights under this Agreement or any related agreement, you agree to pay our reasonable attorneys' fees (including any incurred before or at trial, on appeal or in any other proceeding), actual court costs and any other collection costs, including any collection agency fee. WE SHALL NOT BE RESPONSIBLE TO PAY YOU ANY CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES FOR ANY DEFAULT, ACT OR OMISSION BY ANYONE. Any delay or failure to enforce our rights under this Agreement will not prevent us from enforcing any rights at a later time. You agree that this Agreement is a "Finance Lease" as defined by Article 2A of the UCC and your rights and remedies are governed exclusively by this Agreement. You waive all rights under sections 2A-508 through 522 of the UCC. If interest is charged or collected in excess of the maximum lawful rate, we will refund such excess to you, which will be your sole remedy.

7. **INSPECTIONS AND REPORTS:** We have the right, at any reasonable time, to inspect the Equipment and any documents relating to its installation, use, maintenance and repair. Within 30 days after our request (or such longer period as provided herein), you will deliver all requested information (including tax returns) which we deem reasonably necessary to determine your current financial condition and faithful performance of the terms hereof. This may include: (i) compiled, reviewed or audited annual financial statements (including, without limitation, a balance sheet, a statement of income, a statement of cash flow, a statement of changes in equity and notes to financial statements) within 120 days after your fiscal year end, and (ii) management-prepared interim financial statements within 45 days after the requested reporting period(s). Annual statements shall set forth the corresponding figures for the prior fiscal year in comparative form, all in reasonable detail without any qualification or exception deemed material by us. Unless otherwise accepted by us, each financial statement shall be prepared in accordance with generally accepted accounting principles consistently applied and shall fairly and accurately present your financial condition and results of operations for the period to which it pertains. You authorize us to obtain credit bureau reports for credit and collection purposes and to share them with our affiliates and agents.

8. **END OF TERM:** At the end of the initial term, this Agreement shall renew for successive 12-month renewal term(s) under the same terms hereof unless you send us written notice between 90 and 150 days before the end of the initial term or at least 30 days before the end of any renewal term that you want to return the Equipment, and you timely return the Equipment. You shall continue making Payments and paying all other amounts due until the Equipment is returned. As long as you have given us the required written notice, you will return all of the Equipment to a location we specify, at your expense, in retail re-saleable condition, full working order and complete repair. At the end of the term or upon repossession of the Equipment after a default, you agree to pay us a minimum return fee of $250, which will cover up to 10 units of returned Equipment and will not be prorated, and in addition, a supplemental return fee of up to $50 per each unit of returned Equipment in excess of 10 units (collectively, the "Return Fee"). If, in our sole discretion, we allow you to return any Equipment prior to the end of the term, you shall pay us the Return Fee each time you return Equipment. YOU ARE SOLELY RESPONSIBLE FOR REMOVING ANY DATA THAT MAY RESIDE IN THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO HARD DRIVES, DISK DRIVES OR ANY OTHER FORM OF MEMORY.

9. **USA PATRIOT ACT NOTICE; ANTI-TERRORISM AND ANTI-CORRUPTION COMPLIANCE:** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each customer who opens an account. When you enter into a transaction with us, we ask for your business name, address and other information that will allow us to identify you. We may also ask to see other documents that substantiate your business identity. You and any other person who you control, own a controlling interest in, or who owns a controlling interest in or otherwise controls you in any manner ("Representatives") are and will remain in full compliance with all laws, regulations and government guidance concerning foreign asset control, trade sanctions, embargoes, and the prevention and detection of money laundering, bribery, corruption, and terrorism, and neither you nor any of your Representatives is or will be listed in any Sanctions-related list of designated persons maintained by the U.S. Department of Treasury's Office of Foreign Assets Control or successor or the U.S. Department of State. You shall, and shall cause any Representative to, provide such information and take such actions as are reasonably requested by us in order to assist us in maintaining compliance with anti-money laundering laws and regulations.

10. **MISCELLANEOUS:** Unless otherwise stated in an addendum hereto, the parties agree that: (i) this Agreement and any related documents hereto may be authenticated by electronic means; (ii) the "original" of this Agreement shall be the copy that bears your manual, facsimile, scanned or electronic signature and that also bears our manually or electronically signed signature and is held or controlled by us; and (iii) to the extent this Agreement constitutes chattel paper (as defined by the UCC), a security interest may only be created in the original. You agree not to raise as a defense to the enforcement of this Agreement or any related documents that you or we executed or authenticated such documents by electronic or digital means or that you used facsimile or other electronic means to transmit your signature on such documents. Notwithstanding anything to the contrary herein, we reserve the right to require you to sign this Agreement or any related documents hereto manually and to send to us the manually signed, duly executed documents via overnight courier on the same day that you send us the facsimile, scanned or electronic transmission of the documents. You agree to execute any further documents that we may request to carry out the intents and purposes of this Agreement. Whenever our consent is required, we may withhold or condition such consent in our sole discretion, except as otherwise expressly stated herein. From time to time, Supplier may extend to us payment terms for Equipment financed under this Agreement that are more favorable than what has been quoted to you or the general public, and we may provide Supplier information regarding this Agreement if Supplier has assigned or referred it to us. All notices shall be mailed or delivered by facsimile transmission or overnight courier to the respective parties at the addresses shown on this Agreement or such other address as a party may provide in writing from time to time. By providing us with a telephone number for a cellular phone or other wireless device, including a number that you later convert to a cellular number, you are expressly consenting to receiving communications, including but not limited to prerecorded or artificial voice message calls, text messages, and calls made by an automatic telephone dialing system, from us and our affiliates and agents at that number. This express consent applies to each such telephone number that you provide to us now or in the future and permits such calls for non-marketing purposes. Calls and messages may incur access fees from your cellular provider. You authorize us to make non-material amendments (including completing and conforming the description of the Equipment) on any document in connection with this Agreement. Unless stated otherwise herein, all other modifications to this Agreement must be in writing and signed by each party or in a duly authenticated electronic record. This Agreement may not be modified by course of performance.

11. **WARRANTY DISCLAIMERS:** WE ARE RENTING THE EQUIPMENT TO YOU "AS-IS." YOU HAVE SELECTED SUPPLIER AND THE EQUIPMENT BASED UPON YOUR OWN JUDGMENT. IN THE EVENT WE ASSIGN THIS AGREEMENT, OUR ASSIGNEE DOES NOT TAKE RESPONSIBILITIES FOR THE INSTALLATION OR PERFORMANCE OF THE EQUIPMENT. SUPPLIER IS NOT AN AGENT OF OURS AND WE ARE NOT AN AGENT OF SUPPLIER, AND NOTHING SUPPLIER STATES OR DOES CAN AFFECT YOUR OBLIGATIONS HEREUNDER. **YOU WILL MAKE ALL PAYMENTS UNDER THIS AGREEMENT REGARDLESS OF ANY CLAIM OR COMPLAINT AGAINST ANY SUPPLIER, LICENSOR OR MANUFACTURER, AND ANY FAILURE OF A SERVICE PROVIDER TO PROVIDE SERVICES WILL NOT EXCUSE YOUR OBLIGATIONS TO US UNDER THIS AGREEMENT. WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, OF, AND TAKE ABSOLUTELY NO RESPONSIBILITY FOR, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, CONDITION, QUALITY, ADEQUACY, TITLE, DATA ACCURACY, SYSTEM INTEGRATION, FUNCTION, DEFECTS, INFRINGEMENT OR ANY OTHER ISSUE IN REGARD TO THE EQUIPMENT, ANY ASSOCIATED SOFTWARE AND ANY FINANCED ITEMS.** SO LONG AS YOU ARE NOT IN DEFAULT UNDER THIS AGREEMENT, WE ASSIGN TO YOU ANY WARRANTIES IN THE EQUIPMENT GIVEN TO US.

12. **LAW; JURY WAIVER:** This Agreement will be governed by and construed in accordance with the law of the principal place of business of Owner or, if assigned, its assignee. You consent to jurisdiction and venue of any state or federal court in the state of the Owner or, if assigned, its assignee has its principal place of business and waive the defense of inconvenient forum. For any action arising out of or relating to this Agreement or the Equipment**, BOTH PARTIES WAIVE ALL RIGHTS TO A TRIAL BY JURY**.

13. **MAINTENANCE AND SUPPLIES:** You have elected to enter into a separate arrangement with Supplier for maintenance, inspection, adjustment, parts replacement, drums, cleaning material required for proper operation and toner and developer ("Arrangement"). You agree to pay all amounts owing under this Agreement regardless of any claim you have against Supplier relating to the Arrangement. Supplier will be solely responsible for performing all services and providing all supplies under the Arrangement. You agree not to hold Owner (if different from Supplier) or any assignee of this Agreement responsible for Supplier's obligations under the Arrangement. As a convenience to you, we will provide you with one invoice covering amounts owing under this Agreement and the Arrangement. If necessary, Supplier's obligations to you under the Arrangement may be assigned by us. You have been informed that a surge protector is recommended to protect your electronic investment from harmful high voltage power disturbances. Said surge protectors should have network protection when connected in a network environment. Units that provide network protection are available through UBEO West, LLC. You are responsible for providing manufacturer recommended adequate power supply. Check one of the following: ☐ Purchased ☐ Has existing ☐ Declined and will be responsible for damage caused by not having a surge protector. You agree to pay a monthly supply freight fee to cover the costs of shipping supplies to you. An image/scan is equal to a single sided 8.5" x 11" copy or print. Each month, you are entitled to produce the minimum number of images/scans shown on page 1 of this Agreement for each applicable image/scan type. Regardless of the number of images/scans made, you will never pay less than the minimum Payment. You agree to provide periodic meter readings on the Equipment. If at any time during the term of this Agreement meter readings are not collected electronically there will be a $5 fee assessed per device, per month for the term of this Agreement or until the meter readings are set-up electronically. You agree to pay the applicable overage charge for each metered image/scan that exceeds the applicable minimum number of images/scans. Images/scans made on equipment marked as not financed under this Agreement will be included in determining your image/scan and overage charges. At the end of the first year of this Agreement, and once each successive 12-month period thereafter, the maintenance and supplies portion of the Payment and the overage charges may be increased by a maximum of 15% of the existing payment or charge. If you have multiple devices at the installation address, which use the same supplies provided under this Agreement, all devices using the same supplies must be covered under an active agreement with Supplier. UBEO West, LLC agrees not to disclose any customer information to manufacturers or competitors that is not required by law.

14. **EXCLUSIONS:** Maintenance service under the Arrangement is contingent upon proper use of the device. The Arrangement does not include: a) Repairs resulting from causes other than normal use; your willful act, use of any paper stock that does not meet device specifications, negligence or misuse including, without limitation, damage to any part or mechanisms and/or use or supplies or spare parts not manufactured and/or use or supplies or spare parts not manufactured by the original equipment manufacturer and which cause abnormally high service calls or service problems; accident, transportation, failure of electrical power, air conditioning or humidity control related problems, acts of nature (fire , flood etc.), theft, or any other unusual circumstance. b) Repairs made necessary by service performed by personnel other than UBEO West, LLC representative. c) Work which you request to be performed outside regular business hours. d) Reconditioning or modification to the Equipment except those specified by UBEO West, LLC's Technical Service Department to assure greater performance of the Equipment. e) Any and all work related to data flow between the covered device and your computers, software or computer network; or work on your computers, software or computer network independent of the Equipment. f) Repairs to the Equipment that is past the manufactures end of service life.

REVIEWED ONLY
NOT APPROVED AS TO FORM

By Shannon Hochstein
Kern County Hospital Authority

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Ordering Document CPQ-4230218 with Oracle America, Inc. to purchase equipment, software, and support for vital signs devices

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests that your Board approve the proposed Ordering Document CPQ-4230218 with Oracle America, Inc., in an amount not to exceed $4,412 plus taxes and fees.

Oracle will provide licensed software, bidirectional interfaces, and implementation services for the installation and operation of the vital signs devices at the Columbus outpatient clinics.

The proposed purchase of equipment and software will transition a currently manual process into an automated process directly into the electronic health record. The direct recording of vital signs into the electronic health record will reduce human error therefore creating a safer environment for our patients.

Counsel is unable to approve due to nonstandard terms, which include third-party products and services with pass-through provisions accepted without Counsel approval and limited opportunity for cost negotiation.

Therefore, it is recommended that your Board approve the proposed Ordering Document CPQ-4230218 with Oracle America, Inc. for the purchase of equipment, software, and support for vital signs devices, with a one-time cost of $4,412 plus taxes and fees, and authorize the Chairman to sign.

ORACLE

Ordering Document

CPQ-4230218

Kern County Hospital Authority
1830 Flower St
Bakersfield CA, 93305
US

Contact
Adriana Cadena
+1 (555) 555-5555
Adriana.Cadena@kernmedical.com

Oracle America, Inc.
500 Oracle Parkway
Redwood Shores, CA
94065

Fee Summary

Fee Description	Net Fees	Monthly Fees	Annual Fees
Equipment and Equipment Support	3,861.56	--	0.00
Sublicensed Software and Sublicensed Software Support	550.41	--	0.00
Total Fees	**4,411.97**	**0.00**	**0.00**

Billing Frequency

Description	Amount Due	Payment Due
Equipment	100%	Upon delivery
Sublicensed Software	100%	Upon shipment

Ordered Items

Equipment and Equipment Support

Part Number	Description	Term	Pass-Through Code	Quantity	Unit Net Price	Extended Net Fees	Annual Fees
7607642	**CVSM 6800, Sp02 (Masimo), SureTemp, NIBP. Includes Welch Allyn 2-year Standard Equipment Warranty** [Mfg Part Num: 68MXTX-B]	--	**3rd Party**	**1**	**3,010.25**	**3,010.25**	--
7607943	**HS1-M 2D, Gen 6 Barcode Scanner for W_A CVSM. Includes Welch Allyn 3-month Standard Equipment Warranty** [Mfg Part Num: 6000-916HS]	--	**3rd Party**	**1**	**462.00**	**462.00**	--
7628462	**Connex Accessory Cable Management Stand. Includes Welch Allyn 1-year Standard Equipment Warranty** [Mfg Part Num: 4800-60]	--	**3rd Party**	**1**	**336.00**	**336.00**	--
B59411	**Hardware Freight Fee**	--	--	**1**	--	**53.31**	--
					Subtotal	**3,861.56**	**0.00**

Sublicensed Software and Sublicensed Software Support

Part Number	Description	Term	Pass-Through Code	Quantity	Unit Net Price	Extended Net Fees	Annual Fees
L121171	**Oracle Health Connectivity Software Suite - Acute - Each Perpetual** [Mfg Part Num: 1000510]	--	**3rd Party**	**1**	**550.41**	**550.41**	--
					Subtotal	**550.41**	**0.00**

Permitted Facilities

Name	Street Address	City
Kern County Hospital Authority	**1830 Flower St**	**Bakersfield, CA, 93305 US**

A. Terms of Your Order

1. Applicable Agreement

a. This order incorporates by reference the terms of the Cerner Business Agreement No. 1-3H7XXBV (Client Reference HA # 2016-036) LA-0000010943 and all amendments and addenda thereto (the "Agreement"). The defined terms in the Agreement shall have the same meaning in this order unless otherwise specified herein.

Oracle America, Inc. is acting as ordering and invoicing agent for Cerner Corporation. Your order remains between You and Cerner Corporation. All references to "Oracle", "we", "us", or "our" shall refer to Cerner Corporation. We may refer to Client or Customer as "You".

2. Fees and Payments

a. Listed above is a summary of net fees due under this order. All fees on this order are in US Dollars.

b. Fees will be invoiced in accordance with the Billing Frequency table above.

c. You are responsible for all shipping and handling fees.

d. You agree to pay any sales, value-added or other similar taxes imposed by applicable law that Oracle must pay based on the items You ordered, except for taxes based on Oracle's income. If You will be claiming an exemption from these taxes, You will provide to Oracle a valid certificate of tax exemption in advance of, or at the time of, the execution of this order. You are responsible to ensure that You provide Oracle with timely notification of any tax exemption status changes and to timely provide updated exemption certificates in the event any previously provided exemption certificate expires during the term of this order.

e. Once placed, Your order shall be non-cancelable and the sums paid nonrefundable, except as provided in the Agreement and this order.

3. Terms Applicable to Ordered Items

a. **Scope of Use.**

You will use the Ordered Items in this order in accordance with the Documentation and subject to the quantity of the item specified in the Ordered Items table(s) above. This order incorporates by reference the scope of use metric, definition, and any rules applicable to the Ordered Item as described in the Oracle Health Definitions and Rules Booklet v121525 which may be viewed at http://www.oracle.com/contracts on the Oracle Health tab.

If the quantity of an Ordered Item is exceeded, You agree to execute a new order setting forth the additional quantity of the item.

Where applicable, scope of use will be measured periodically by Oracle's system tools, or, for metrics that cannot be measured by system tools or obtained through industry available reporting sources (e.g., FTEs or locations), You will provide the relevant information (including records to verify the information) to Oracle at least once per year. You agree that if an event occurs that will affect Your scope of use (such as the acquisition of a new hospital or other new facility), You will notify Oracle in writing of such event no later than 30 days following the effective date of such event so that Your scope of use can be reviewed. Any additional fees due under this section will be payable within 30 days following Your receipt of an invoice for such fees. Any additional monthly fees will begin on the date the limit was exceeded and shall be paid annually (pro-rated for any partial month).

b. **Third-Party Offerings.**

Certain products and services are provided by third-party suppliers (the "Third-Party Offerings"). Third-Party Offerings You have ordered, if any, are identified with information in the Pass-Through Code column in the Ordered Items table(s) above. For Third-Party Offerings with alphanumerical codes in the Pass-Through Code column, additional terms required by the third-party supplier that apply to such Third Party Offerings are available at http://www.oracle.com/contracts on the Oracle Health tab and are incorporated into this order by reference. For Third-Party Offerings with "3rd Party" in the Pass-Through Code column, no additional terms are required by the third-party supplier.

There are no indemnities, or express or implied warranties or conditions, offered or made by Oracle for Third-Party Offerings. Content Oracle makes accessible through Third-Party Offerings is provided on an "as-is" and "as available" basis without any warranty of any kind. Oracle disclaims all liabilities arising from or related to Third-Party Offerings.

c. **Permitted Facilities.**

The Ordered Items in this order are for use by the facilities listed in the Permitted Facilities table(s) above. You may add or substitute Permitted Facilities by amending this order.

4. Equipment and Equipment Support

a. **Delivery, Installation and Acceptance of Equipment.**

(i) You are responsible for installation of the Ordered Items identified as Equipment in the table(s) above unless You purchase installation services from Oracle for that Equipment.

(ii) Oracle will deliver the Equipment in accordance with Oracle's Order and Delivery Policies which are in effect at the time of Your order, and which are available at http://www.oracle.com/contracts on the Oracle Health tab. Oracle will use the delivery address specified by You on this order.

(iii) The Equipment You have ordered will be delivered via delivery method HARDWARE - STANDARD.

(iv) Acceptance of the Equipment is deemed to occur on delivery.

(v) Oracle may make and invoice You for partial deliveries.

(vi) Oracle may make substitutions and modifications to the Equipment and Equipment Support based on availability or technological advancements.

(vii) Oracle will use its reasonable commercial efforts to deliver the Equipment within the timeframes specified in this order.

b. **Transfer of Title.**

Title to the Equipment will transfer upon delivery.

c. **Warranty.**

In the event that a warranty is provided by Oracle or a third-party, such warranty will be identified in the description of the Equipment ordered and details of the warranty will be available in the Oracle Health Equipment Warranty Policies which are available at http://www.oracle.com/contracts on the Oracle Health tab.

d. **Equipment Support.**

If ordered, support for Your Equipment will be provided in accordance with the Oracle Health technical support policies which are available at http://www.oracle.com/contracts on the Oracle Health tab.

5. Sublicensed Software and Sublicensed Software Support

a. Ordered Items in the Sublicensed Software and Sublicensed Software Support table(s) above are Third-Party Offerings and will be provided in accordance with the Third-Party Offerings section above. For Sublicensed Software identified with "3rd Party" in the Pass-Through Code column, Oracle grants You a non-exclusive, non-assignable, non-transferable, royalty-free, limited right to use the Sublicensed Software and receive any Sublicensed Software Support for Your business operations, subject to the terms of the Agreement, including the Scope of Use section of this order.

6. Order of Precedence

a. In the event of inconsistencies between the terms contained in this order and the Agreement, this order shall take precedence. This order will control over the terms contained in any purchase order.

7. Effective Date

a. If accepting this order online, the effective date of this order is the date You submit the order. Otherwise, the effective date is the last signed date stated below.

8. Offer Validity

a. This offer is valid through 30-Apr-2026 and shall become binding upon execution by You and acceptance by Oracle.

B. Additional Order Terms

1. Credit Card or PayPal Payments

If the pre-tax value of this order is USD 99,999 or less and You opt to purchase the Ordered Items listed on this order by credit card or PayPal, the payment will be charged upon invoice generation with immediate payment terms.

Consulting/Professional Services may not be purchased by credit card or PayPal irrespective of the transaction size.

Kern County Hospital Authority	
Signature	
Name	Phil McLaughlin
Title	Chairman, Board of Governors
Signature Date	April 15, 2026

Oracle America, Inc.	
Signature	Anthony Hernandez
Name	Anthony Hernandez
Title	Senior Director, NA Customer Deal Desk
Signature Date	3-Feb-2026 04:20 PM PDT

REVIEWED ONLY
NOT APPROVED AS TO FORM

By Shannon Hochstein
Kern County Hospital Authority

Bill To / Ship To Contact Information

Bill To Contact

Customer Name	Customer Address	Contact Name / Phone / Email
Kern County Hospital Authority	1830 Flower St Bakersfield, CA US 93305	Adriana Cadena +1 (555) 555-5555 Adriana.Cadena@kernmedical.com

Ship To Contact

Customer Name	Customer Address	Contact Name / Phone / Email
Kern County Hospital Authority	1830 Flower St Bakersfield, CA US 93305	Adriana Cadena +1 (555) 555-5555 Adriana.Cadena@kernmedical.com

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Amendment No. 7 to Master Service Agreement #30718 with JDM Solutions Inc.

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve the proposed Amendment No. 7 for continued professional services with JDM Solutions Inc. to support Kern Medical's data intelligence, enterprise data warehouse (EDW), and analytics strategy. These services support the ongoing need to maintain and enhance Kern Medical's centralized data infrastructure, improve data access, and provide actionable insights for clinical, operational, and regulatory reporting.

The proposed Amendment No. 7 provides for continued staffing of consultants who can:

1. Manage and maintain the Data Intelligence program that provides data analytics support and tools for key operational and regulatory programs.
2. Implement and support Data Governance to ensure data integrity across legacy and core systems;
3. Develop and maintain enterprise reporting, dashboards, and self-service analytics tools for Kern Medical leadership; and
4. Support Oracle Health (Cerner) applications, data integrations, and enterprise data warehouse operations to meet business and regulatory requirements.

Previous Agreements	Purpose of Amendment	Variance
Original Agreement, November 21, 2018	MSA with JDM Solutions Inc. to provide consultants to develop the Data Intelligence program at Kern Medical	$249,500
Amendment No. 1, July 17, 2019	Amendment to provide continued staffing of consultants	$1,289,600
Amendment No. 2, May 19, 2021	Amendment 2 provided continued staffing of consultants	$1,361,200
Amendment No. 3, March 15, 2023	Amendment 3 provided continued staffing of consultants	$334,880
Amendment No. 4, May 1, 2023	Amendment 4 provides to maintain and support the Kern Medical electronic data warehouse	$358,200
Amendment No. 5, May 1, 2024	Amendment 5 provides maintain and support the Kern Medical electronic data warehouse	$701,400

Amendment No. 6, May 1, 2025	Amendment 6 provides maintain and support the Kern Medical electronic data warehouse and data analytics	$714,456
Proposed Amendment No. 7, May 1, 2026	Amendment 7 provides continued support for data intelligence, EDW operations, analytics, and reporting infrastructure	$725,200

Therefore, it is recommended that your Board approve the proposed Amendment No. 7 to the Master Service Agreement with JDM Solutions, Inc. for the period May 1, 2026, through April 30, 2027, increasing the maximum payable by $725,200 from $5,009,236 to $5,734,436 for the additional professional fees and travel expenses needed to cover the extended term, and authorize the Chairman to sign.

AMENDMENT NO. 7 TO
MASTER SERVICE AGREEMENT

This Amendment No. 7 to the Master Service Agreement is made and entered into this 15th day of April, 2026 between JDM Solutions Inc. ("Provider") and Kern County Hospital Authority, a local unit of government, which owns and operates Kern Medical Center ("Client")

RECITALS

a) Client and Provider have entered into a Master Services Agreement for professional services dated August 16, 2018 (30718), Amendment No. 1 dated July 17, 2019 (044- 2019), Amendment No. 2 dated May 19, 2021 (026-2021), Amendment No. 3 dated March 15, 2023 (028-2023), Amendment No. 4 dated May 1, 2023 (057-2023), Amendment No 5 dated March 20, 2024 (041-2024), and Amendment No. 6 dated April 16, 2025 (034-2025) for the period stated on the statement of work.

b) Client requires application analyst resources to assist with the expertise and gaps in resources as such services are unavailable from Client's resources; and

c) Provider represents its expertise in providing application analyst resources as outlined in Exhibit B-7; and

d) The parties agree to amend certain terms and conditions of the agreement as hereinafter set forth to provide for the additional services; and

e) The Agreement is amended effective May 1, 2026

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the forgoing recital, the parties hereto agree to amend the agreement as follows:

"Exhibit A -Provider's Rate schedule

Exhibit A-1 Provider's Rate schedule, effective July 17, 2019

Exhibit A-2 Provider's Rate schedule, effective May 1, 2021

Exhibit A-3 Provider Rate schedule, effective March 15, 2023

Exhibit A-4 Provider Rate schedule, effective May 1, 2023

Exhibit A-5 Provider Rate schedule, effective May 1, 2024

Exhibit A-6 Provider Rate schedule, effective May 1, 2025

Exhibit A-7 Provider Rate schedule, effective May 1, 2026

Exhibit B Work Order

Exhibit B-1 Work Order, effective July 17, 2019

Exhibit B-2 Work Order, effective May 1, 2021

Exhibit B-3 Work Order, effective March 15, 2023
Exhibit B-4 Work Order, effective May 1, 2023
Exhibit B-5 Work Order, effective May 1, 2024
Exhibit B-6 Work Order, effective May 1, 2025
Exhibit B-7 Work Order, effective May 1, 2026

Exhibit C – Insurance"

2. Except as otherwise defined herein, all capitalized terms used in this Amendment No. 7 have the meaning set forth in the Agreement.

3. This Amendment No. 7 shall be governed by and construed in accordance with the laws of the state of California.

4. This Amendment No. 7 may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

5. Except as provided herein, all other terms, conditions, and covenants of the Agreement and any and all amendments thereto shall remain in full force and effect.

[Signatures follow on next page]

IN WITNESS TO FOREGOING, the parties have executed this agreement as of the date first above written. Both parties agree that a single original of this agreement will be executed:

THIS AMENDMENT IS AGREED TO AND ACCEPTED by:

_____	Jaishree Mclane
Kern County Hospital Authority	**JDM Solutions, Inc.**
Printed Name: PHIL MCLAUGHLIN	Printed Name: JAISHREE MCLANE
Title: Chairman, Board of Governors	Title: President

APPROVED AS TO CONTENT:
Kern Medical Center

Sandra J Bakich
_____
Printed Name: Sandra Bakich / Ezzat Khalil
Title: Chief Information Officer

APPROVED AS TO FORM:
Legal Services Department

Shannon Hochstein
_____
Hospital Counsel
Kern County Hospital Authority

EXHIBIT A-7

RATE SCHEDULE

This exhibit is an addendum to the Master Services Agreement that was signed August 2018, between JDM Solutions Inc. ("Provider") and Kern County Hospital Authority ("Client").

FEE SCHEDULE:

		Hour/wk.	Yearly Amount	FTE
	Data Intelligence Manager Backfill	40	199,980.00	1
	Data Analyst Back fill	40	132,820.00	1
	TOTAL	80	352,000.00	
	Fixed Price/yr.	**$80/hr.**	$332,800.00	

Professional Technical Staff to support reporting, Infrastructure and Dashboards.

		Hour/wk.	Hours/Yr.	FTE
	Data Process Manager	20	1040	0.5
	Data integrity Engineer	40	2080	1
	Data self-service reporting & Dashboards developer	40	2080	1
	Cerner Upgrade		192	.1
	TOTAL	100	5392	2.6
	JDM Resources:			
	Fixed Price/yr.	**$68/hr.**	$366,656.00	
	Total	Avg. $73/hr.	**$699,456.00**	4.6
	Travel Expense		$15,000.00	

EXHIBIT B-7

Statement of Work/Work Order

This exhibit is an addendum to the Master Services Agreement that was signed August 2018, between JDM Solutions Inc. ("Provider") and Kern County Hospital Authority ("Client").

WORK ORDER #:202505KERN
WORK ORDER SUBMISSION DATE: February 2025
WORK ORDER EXPECTED START DATE: May1st, 2025
PLACE OF PERFORMANCE: ONSITE & REMOTE
EXPECTED DURATION: 1 years.

OBJECTIVE:

Director, data intelligence scope

- Support Manager duties as defined in job description
  - Manage data intelligence team
    - Data Infrastructure strategy
    - Regulatory and pop health strategy
    - Data Governance strategy
    - Data and reporting strategy
    - Kern EDW strategy

Support for all regulatory requirements

- Data analyst: Support Data reporting duties as defined in job description.
  - Support users operational need of data question
  - Support and implement projects with data needs.
  - Support business with ticket needs (Average 50/data ticket per month)

- **Support EDW /Health Intent/Pop health scope**
  - Evidence based care data models
  - Statistical and predictive analytic models
  - Enterprise data stewardship
  - Enterprise dashboards
  - Functional area datasets/universes in EDW
  - Enterprise data catalog
  - Use Master data management.
  - Interoperability support
  - Use EDW for OSHPD/HEDIS support
  - Ensure that EDW can be used to pull all are EMR data as needed **(Legacy and Current)**
  - Integrate data via API, flat files, and other means.

- **Support External Data needs**
  - Monitor and Maintain data process.
  - Maintain HealtheEDW, Health Registries, Health Data Intelligence (HDI)
  - Continue to build out Kern EDW.
  - Add data infrastructure to support self-service reporting.
  - Bring new sources data into kern-EDW
    - Kern Health system
      - Establish data exchange.
      - Improve claim payments.
    - Health Net enrollment
      - Incentive programs

- Anthem Blue Cross
    - Establish data exchange.
- AP DRG
    - Improve data for QIP submission for better reimbursement.
- Cerner Clinical Events/DTA's
    - Process improvement
    - Infection prevention
- Other as needed.

- Establish Universe for self-service reporting portal
    - Cocci research
    - Discharge
    - Process Improvement
    - EMR data needs by HIM
    - Referrals
    - Pharmacy
    - Infection prevention
    - Nursing support

- **Data Governance**
    - Rounding with all Executives on a periodic basis to determine their data needs and training in data
    - Maintain low duplication data.
        - Patient, Provider, Employee
    - Correct data for regulatory submission
        - QIP/NHSN/etc.
    - Provide data correction for improvement in data and get better reimbursements.
    - Work with data owners to provide them with accurate data

- **Support Cerner (Oracle Health) Applications**
    - The application team will provide application frontend training
    - Support application on DTA changes
    - Define data integrity with lights-on
    - Support Healthy Registries and healthy analytics
    - Support Cerner Unified analytics platform
    - Cerner Upgrades - during scoping additional resources may be needed
    - Other projects - during scoping additional resources may be needed

- **Cerner Upgrade**
    - 1 Additional Resource will be trained to support Reporting Regression testing during upgrade for 2 months

- **Data analytics & reporting**
    - Maintain SLA on reporting tickets
    - Provide a mechanism to update report value that are currently hard coded reporting which make reports obsolete after a one use
    - Ability to collection data into EDW through mobile device eliminating duplication of data entry.
    - Develop Tableau dashboards for each functional area to reduce the need for report requests.
    - Support Population health team for data accuracy and measure needs

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Order Form Q-98443-1 with TigerConnect®, Inc. to extend the current subscription agreement for software services

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests that your Board approve the proposed Order Form Q-98443-1 with TigerConnect®, Inc. to extend the current subscription agreement for access to TigerConnect's enterprise clinical communication platform. TigerConnect provides a secure, HIPAA-compliant communication, physician scheduling, and message archiving solution that are critical to the daily clinical operations and care coordination.

The proposed Order Form extends the existing services currently utilized across Kern Medical for a term of three (3) years. Additionally, the existing subscription license will be converted to an enterprise license with unlimited users versus the current subscription which limits the number of users that can access the platform. As utilization of the platform has increased, transitioning to an enterprise license is more cost effective.

Agreements	Description	Term	Maximum Payable	Variance Per Year
Agt.#27624 03/22/2024	Master Services Agreement	No Term	N/A	N/A
Agt.#27824	Order Form for software platform access	12-month term (4/15/2024 – 4/14/2025) With auto-renewal for additional 12-month terms	$231,000	$231,000
Agt.#27924	Implementation Services	One-time Fee	$59,000	N/A
Agt.#27824 Auto-Renewal	Order Form for software platform access	12-month term (04/15/2025 – 04/14/2026)	$242,550	$11,550
Proposed Order Form	Order Form for software platform access	36-month term (04/15/2026 – 04/14/2029)	$1,002,000 ($334,000 per year)	$91,450
Total Proposed Maximum Payable			$1,534,550	

Counsel is unable to approve as to form due to the nonstandard terms and conditions which include the auto-renewal of the three (3) year term unless terminated pursuant to the Order Form.

Therefore, it is recommended that your Board approve the proposed Order Form Q-98443-1 with TigerConnect®, Inc. for to extend the current subscription agreement for access to TigerConnect's enterprise clinical communication platform, from April 15, 2026, through April 14, 2029, in an amount not to exceed $1,002,000, and authorize the Chairman to sign.

Docusign Envelope ID: 4A3D26A7-C440-4387-9415-F293762DA23F

Company Contact: Andrew Cordell
Quote #: Q-98443-1

ORDER FORM

TigerConnect®, Inc.
841 Apollo Street, Suite 200
El Segundo, CA 90245

Address Information

Bill To:

Kern Medical
1700 Mt Vernon Ave
Bakersfield, California, 93306

Billing Contact: John Mills
Email: john.mills@kernmedical.com

Ship to:

Kern Medical
1700 Mount Vernon Avenue
Bakersfield, California, 93306

Contact Name: Toon Prasertsit
Email: toon.prasertsit@kernmedical.com
Phone: (661) 326-5104

Terms and Conditions

Effective Date: 4/15/2026
Pricing Terms Expire: 4/30/2026
Payment Terms: Net 30

End Date: 4/14/2029
Subscription Term: 36 months
Billing Frequency: Annual

Customer agrees to subscribe for and TigerConnect agrees to provide the Services at the price listed in the table below subject to the terms and conditions of Customer's existing subscription agreement for TigerConnect products and services ("the Agreement") and are incorporated herein by reference. In the absence of such pre-existing agreement the Terms of Service located at https://tigerconnect.com/legal/terms-of-service-agreement/ shall apply. Capitalized terms not otherwise defined in this Order Form shall have the meanings afforded them in the Agreement.

Subscription Licenses

Product Name	Service Start/ End Date	Quantity	Annual Net Unit Price	Initial Period Fee	Annual Fee
Enterprise TigerConnect®-Hosted Archiving	4/15/2026 - 4/14/2029	2,250	$7.11	$16,000.00	$16,000.00
TigerConnect Clinical Collaboration	4/15/2026 - 4/14/2029	2,250	$61.33	$138,000.00	$138,000.00
TigerConnect Physician Scheduling	4/15/2026 - 4/14/2029	1,000	$180.00	$180,000.00	$180,000.00
CareConduit Core	4/15/2026 - 4/14/2029	1	$0.00	$0.00	$0.00

See Billing Terms below for Pricing Timetable

Order Total

	Amount
Initial Period Fees:	USD 334,000.00
Total Term Fees:	USD 1,002,000.00

Amounts do not include any applicable tax.

Standard Terms & Conditions

1. The Services are described in the **Services Description Sheet** below. You will have access only to the Products and Services listed in the table above, only at the Covered Locations (where applicable), and not to any other improved functionality or features developed by TigerConnect.
2. The TigerConnect subscription license is limited to the Quantity of users/providers set forth above (the "Service Capacity"). Any users/providers provisioned on the system in excess of the Service Capacity will be subject to the per seat/provider license charge set forth in this Order Form for the remainder of the Term.
3. Upon expiration of the Term, the Term will automatically extend for additional periods of equal length unless terminated by either party on written notice at least thirty (30) days prior to the expiration of the then-current term. Any termination attempt by Customer prior to the expiration of the then-current term shall not relieve Customer of its obligation to pay for the Services for the entire term. There are no refunds for any unused portions of the then current term.
4. Upon each anniversary of the commencement of the Term and of each Renewal Term, the license fees set forth herein shall be subject to increase by 5.000% over the previous year.
5. Unless expressly stated otherwise in a separate legally binding agreement, if Customer received a special discount or other promotional offer applicable to the Service, Customer acknowledges that such discount or promotional offer only applies during the current Initial Term and upon the next Renewal Term, the Service will renew at the full applicable fee.

Special Conditions

Terms described in this Special Conditions section will override terms in the Standard Terms & Conditions.

The Quantities set forth in the Subscription Licenses table above is provided as a good faith estimate and does not limit the number of user licenses available to Customer. Each subscription license permits an unlimited number of Authorized Users; however, Customer's use of the Services is priced based on 222 licensed acute beds. If the number of licensed beds at Customer's facilities increases during the Term, the Parties shall mutually agree an amendment to the fees payable under this Order Form to reflect such increase. Customer shall promptly notify Tiger Connect of any such increase in licensed beds. For clarity, fees shall not be reduced if the number of licensed beds decreases.

Purchase Order Information

Is a Purchase Order (PO) required for the purchase or payment of the products on this Order Form? (Customer to complete).

[ ] No
[ ] Yes

PO Number: _____

PO Amount: _____

Agreed to by:

I certify that I am authorized to sign and enter into this binding legal contract for the company or organization stated above.

TigerConnect®, Inc.		**Customer: Kern Medical Center**	
Signature:	Signed by: John Montealgre [redacted]	Signature:	
Printed Name:	John Montealgre	Printed Name:	Phil McLaughlin
Title:	CFO	Title:	Chairman, Board of Governors
Dated:	4/6/2026	Dated:	April 15, 2026

REVIEWED ONLY
NOT APPROVED AS TO FORM

By Shannon Hochstein
Kern County Hospital Authority

Docusign Envelope ID: 4A3D26A7-C440-4387-9415-F293762DA23F

Services Description Sheet

TigerConnect Physician Scheduling provides automated, rule-based, on-call, resident and shift scheduling that maintains fair and evenly distributed assignments. The platform acts as the source of truth to feed and align other systems in the organization. Templates and customized rules allow for a quick and easily repeatable process. Schedules are instantly viewable along with individual and group shift tallies, ensuring fairness. Providers can request time off and initiate shift swaps with colleagues. Coupled with TigerConnect Clinical Collaboration, TigerConnect Physician Scheduling can populate role-based assignments for streamlined outreach.

TigerConnect-Hosted Archiving – TigerConnect offers cloud-hosted archiving, which is designed for compliance and meets eDiscovery requirements for FINRA, FERPA, FRCP, SOX, SEC and HIPAA. Global Administrator capabilities allow for extensive search options of all messages over any time period. Messages are accessible via an online view, PDF, message download, or .pst download. Hosted Archiving is priced on a per-user basis. There are no storage capacity limits regardless of how many messages are added per user.

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Proposed Quote Q-00730828 with Philips Healthcare, a division of Philips North America LLC to purchase a Philips Cardiac Workstation and Diagnostic Cardiology/ECG Implementation Services

Recommended Action: Rescind approval of Board of Governors Wednesday, March 18, 2026 Regular meeting Item 11; Approve; Authorize Chairman to sign

Summary:

At the March 18, 2026 regular meeting, your Board approved Quote Q-00676256 with Philips Healthcare, a division of Philips North America LLC to purchase a Philips Cardiac Workstation 7000 with Adjustable Height Trolley and Diagnostic Cardiology ECG Implementation Services. When staff sent in the approved quote for purchase, Philips Healthcare requested an updated quote be signed. This is the quote that is now seeking your approval.

The benefit of this updated quote is that the one-time cost for this purchase is now $21,927, which is a savings of $8,775 from the previously approved quote. Funding for this purchase is available within the Valley Fever Institute operational budget.

Counsel is unable to approve the agreement due to nonstandard contractual provisions, including a limitation of liability clause that caps liability at the total cost of the agreement, no cancellation of orders, indemnification only of vendor, interest on late payments, and waiver of jury trial. Attempts were made to negotiate revisions to this provision; however, those efforts were unsuccessful.

Therefore, it is recommended that your Board rescind its previous approval for Quote Q-00676256 with Philips Healthcare, a division of Philips North America LLC, for the purchase of the Philips Cardiac Workstation 7000 with Adjustable Height Trolley and Diagnostic Cardiology ECG Implementation Services, approve Quote Q-00730828 for the purchase of the Philips Cardiac Workstation 7000 with Adjustable Height Trolley and Diagnostic Cardiology ECG Implementation Services, and authorize the Chairman to sign.

PHILIPS

Sold to:
KERN MEDICAL CENTER
1700 Mount Vernon Ave
Bakersfield, CA 93306-4018

Presented By
Sabrina Elliott
Philips Healthcare a division of Philips North America LLC
414 Union Street
Nashville, Tennessee 37219
Phone: 888-606-8778
Email: sabrina@heartmedical.com

Ship to:
KERN MEDICAL CENTER
1700 Mount Vernon Ave
Bakersfield, CA 93306-4018

Quote #: Q-00730828
Customer #: 94310879
Quote Date: 04/01/26
Valid Until: 07/03/26

Kern cw7000 George

Thank you for investing your trust in Philips; we know that there were many options out there for you to choose from. As an industry leader in Healthcare, we also pride ourselves on providing great Customer Service.
I am pleased to submit the attached proposal for your consideration.
I trust this meets your expectation, however, should you have any queries or require further information or clarification, please do not hesitate to contact me.
To ensure a smooth purchasing experience here are a few helpful tips to keep in mind when submitting your purchase order.

- Please specify any specific delivery date requirements or shipping/delivery needs
- Ensure your purchase order references the Philips quote number
- Purchase orders must be signed digitally or physically
  or
- Complete the information on the quote Signature Page

Thank you again for considering Philips.

Thank you,

Sabrina Elliott

This quotation contains confidential and proprietary information of Philips Healthcare, a division of Philips North America LLC ("Philips") and is intended for use only by the customer whose name appears on this quotation. Except as otherwise required by state or federal law after strict compliance with any applicable notification and procedural requirements therein, it may not be disclosed to third parties without the prior written consent of Philips.

IMPORTANT NOTICE: Discounts, Other Fee Reductions and Reporting Obligations: The Product(s) offered may be subject to Philips' discounts and other programs, including finance programs, that could trigger federal healthcare cost reporting obligations. Customer discounts, and fees and charges waived or otherwise not charged by Philips, may constitute a discount on Product(s) covered by this Agreement. Philips may also provide financial support for financing programs of third-party lenders in connection with the financing of the Product(s). Customer agrees to fully and accurately report Product costs, adjusted for discounts, as required. Philips agrees to fully and accurately report discount information to Customer and refrain from impeding Customer from meeting its cost reporting obligations under the discount safe harbor, 42 CFR 1001.952(h).

PHILIPS

1. Financial Overview

Hardware

Line	Article No.	Description	Qty	List Price	Unit Net Price	Net Price
1	860441	Cardiac Workstation	1	$ 25,250.00	$ 16,412.50	$ 16,412.50
2	860453	PW Trolley GG Adjustable Height	1	$ 2,667.90	$ 1,734.13	$ 1,734.13
Discount Amount:				**$ -9,771.27**		

Services

Line	Article No.	Description	Qty	List Price	Unit Net Price	Net Price
3	890512	Diagnostic Cardiology / ECG Impl. Svcs.	1	$ 3,780.00	$ 3,780.00	$ 3,780.00

	Total Net Price
List Price	$ 31,697.90
Additional Discount	$ -9,771.27
Total Net Price	**$ 21,926.63**

PHILIPS

2. Quote Summary

Hardware

Line	Article No.	Description	Qty	Unit List Price	Additional Discount	Unit Net Price	Net Price
1	**860441**	**Cardiac Workstation**					
1.1	860441_A02	A02 Cardiac WS 7000 (18.5 in.)	1	$ 24,440.00	35.00%	$ 15,886.00	$ 15,886.00
1.2	860441_H21	H21 PIM, 12-Lead	1	$ 0.00	0.00%	$ 0.00	$ 0.00
1.3	860441_E06	E06 Snap Tab Electrode Adaptor	1	$ 0.00	0.00%	$ 0.00	$ 0.00
1.4	860441_D24	D24 WiFi LAN	1	$ 810.00	35.00%	$ 526.50	$ 526.50
1.5	860441_W01	W01 Onsite repair	1	$ 0.00	0.00%	$ 0.00	$ 0.00
						$ 16,412.50	**$ 16,412.50**
2	**860453**	**PW Trolley GG Adjustable Height**					
2.1	860453_B04	B04 CW Adj. H., Full Asmbly	1	$ 2,270.00	35.00%	$ 1,475.50	$ 1,475.50
2.2	860453_C01	C01 PIM Arm, Cardiac Workstns	1	$ 299.00	35.00%	$ 194.35	$ 194.35
2.3	860453_C03	C03 Wire Basket	1	$ 98.90	35.00%	$ 64.28	$ 64.28
						$ 1,734.13	**$ 1,734.13**

Services

Line	Article No.	Description	Qty	Unit List Price	Additional Discount	Unit Net Price	Net Price
3	**890512**	**Diagnostic Cardiology / ECG Impl. Svcs.**					
3.1	890512_B23	B23 Assemble/Install Cardiogr.	1	$ 3,780.00	0.00%	$ 3,780.00	$ 3,780.00
						$ 3,780.00	**$ 3,780.00**

	Total Net Price
List Price	$ 31,697.90
Additional Discount	$ -9,771.27
Total Net Price	**$ 21,926.63**

PHILIPS

3. Local Sales Terms and Conditions

Line	Product Code	Contract Name	Contract No.	Invoice Schedule
1	860441 Cardiac Workstation	NONE	NONE	0/0/100
2	860453 PW Trolley GG Adjustable Height	NONE	NONE	0/0/100
3	890512 Diagnostic Cardiology / ECG Impl. Svcs.	Value Added Services	Value Added Services	0/0/100

Payment Terms US: Net 30 Days

INCO Terms: Carriage and Insurance Paid To Destination

This is a cash price quote, which includes ACH, check, and wire transfer. Any other form of payment will result in different price, which may be higher.

Billing Terms: Are as displayed under the Invoice Schedule table above. For each item, X/Y/Z milestones are defined as follows (unless an Agreement specifying alternative payment terms has been negotiated between the parties):

X is the percentage invoiced upon signed acceptance of quotation or upon receipt of Customer Purchase Order
Y is the percentage invoiced upon delivery of major components to Customer designated location or Philips warehouse.
Z is the percentage invoiced upon completion of installation or product available for first patient use, whichever occurs first.
Z is the percentage invoiced 30 days from date of shipment (Ultrasound Systems Portfolio Only)

If DEMO Equipment is included in this quotation it is sold under the Contact No. Contract Name/Contract Number ("Contract") of the products/solution included in this quotation.

If the quote includes a Unit Net Price, the Net Price listed on the quote is the binding price. The Unit Net Price may have a minimal pricing discrepancy when the quantity purchased is greater than 1.

All amounts in this quote are in USD

PHILIPS

4. Acceptance by Parties

Invoice to:
KERN MEDICAL CENTER
1700 Mount Vernon Ave
Bakersfield, CA 93306-4018

Ship to:
KERN MEDICAL CENTER
1700 Mount Vernon Ave
Bakersfield, CA 93306-4018

	Total Net Price
Total Net Price	$ 21,926.63

Each Quotation solution (defined as each product, software, service) is issued pursuant to the Local Sales Terms and Conditions and if Contract Name equals NONE then Philips Standard Terms and Conditions ("Contract") governs the discounts and fees that apply to each quoted solution. Any PO for the items herein will be accepted subject to the terms of the Contract. **Issuance by customer of a non-contingent signed purchase order(s) referencing the Quote Solution and the Local Sales Terms and Conditions (as applicable) expressly represents customer's acceptance of the quotation and the associated terms in lieu of the customer signature on this quotation**. Each Quotation Solution listed on purchase order/orders represents a separate and distinct financial transaction. Philips General Terms and Conditions of Sales and Software License for Hospital Monitoring, Hospital Respiration Care, Focal Point SW Licenses, Therapeutic Care, Medical Consumables and Sensors and Value Added Services are located at Terms and Conditions of Sale|Philips (https://www.usa.philips.com/healthcare/support/terms-and-conditions). Product Warranties for all Philips Products are located at Terms and Conditions of Sale|Philips (https://www.usa.philips.com/healthcare/support/terms-and-conditions).

We understand and agree that each transaction is to be individually billed and paid. This quotation contains confidential and proprietary information of Philips Healthcare, a division of Philips North America LLC ("Philips") and is intended for use only by the customer whose name appears on this quotation. Except as otherwise required by state or federal law after strict compliance with any applicable notification and procedural requirements therein, it may not be disclosed to third parties without the prior written consent of Philips. This quotation provides contract agreement discounts and does not reflect rebates that may be earned by Customer, under separate written rebate agreements, from cumulative volume purchases beyond the individual quantity being ordered under this quote. Customer is reminded that rebates constitute discounts under government laws which are reportable by Customers.

The price above does not include sales tax.

Please fill in the below if applicable:

1. Tax Status: Taxable _____ Tax Exempt _____
   If Exempt, please indicate the Exemption Certification Number: _____, and attach a copy of the certificate.
2. Requested equipment delivery date _____
3. If you do not issue formal purchase orders indicate by initialing here: _____
4. For Recurring Maintenance Service & Support Agreements with New Equipment Purchases: Our facility does issue formal purchase orders; however, due to our business/system limitation, we cannot issue a formal purchase order for the service agreement until 90 days prior to standard warranty expiration. Our facility agrees to submit the service agreement purchase order at such time. Initialed: _____

CUSTOMER SIGNATURE
by its authorized representative

Signature: _____
Print Name: Phil McLaughlin
Title: Chairman, Board of Governors
Date: April 15, 2026

PHILIPS SIGNATURE
by its authorized representative

Signature: _____
Print Name: _____
Title: _____
Date: _____

REVIEWED ONLY
NOT APPROVED AS TO FORM

By Shannon Hochstein
Kern County Hospital Authority

PHILIPS

5. Philips Standard Terms and Conditions

General Terms and Conditions of Sale and Software License
("Conditions of Sale") (Rev 26)

1. Quotation, Order, and Payment

1.1 The equipment, service, and software ("Product(s)") offered on the quotation by the Philips legal entity identified thereon ("Quotation") are subject to these Conditions of Sale, the Quotation, and any schedules and attachments attached hereto. The Quotation expires as indicated and may be amended or revoked by Philips before Customer's acceptance. Purchase orders (POs) will serve only as Customer's acceptance of the Quotation and these Conditions of Sale in the absence of a signature of Customer's authorized representative on the Quotation. Any different or additional terms proposed by Customer are rejected and do not apply.

1.2 Prices and payment terms are in the Quotation. Net payment terms are based on invoice date. Orders are subject to Philips' credit review and approval. Prices exclude taxes, which are Customer's responsibility. Philips will invoice and Customer will pay all applicable taxes unless Customer provides a tax exemption certificate in advance.

1.3 Customer will pay interest on late payments not disputed in good faith at an annual rate of 12%, billed monthly. If Customer fails to pay or breaches these Conditions of Sale, Philips may suspend its obligations and deduct the unpaid amount from any amounts owed to Customer, in addition to other rights or remedies. Philips can recover all costs and expenses, including reasonable attorneys' fees related to enforcement.

1.4 Customer cannot cancel an order for equipment. If Customer cancels an order for equipment before the order is sent to the factory, Customer will pay 15% of the net selling price. If Customer cancels after the order for equipment is sent to the factory, Customer will pay the full net selling price. If Customer has not taken delivery of equipment within 24 months from Quotation acceptance, the order is deemed canceled and the cancelation charges in this section will apply according to their terms. In all cases cancelation of orders of software shall be governed by the terms of the Product schedule applicable to such software Product. In the absence thereof, such orders are non-cancelable.

1.5 Philips may make partial or early shipments, and Customer will pay invoices for such shipments according to the payment terms in the Quotation. Payments can be made by check, ACH, or wire. Philips does not accept transaction fees for electronic fund transfers or other payment methods. Philips imposes a 2% surcharge on credit cards, not exceeding its cost of acceptance. Check payments over $50,000 USD must be paid via eCheck or Philips prepaid FedEx account with tracking.

1.6 Philips is entitled to retain a security interest in the Products until full payment is received. Philips may change the design or specifications of the Products at any time, provided the change does not adversely affect performance.

2. Lease and Trade-In

2.1 If Customer wants to convert a purchase to a lease, Customer must provide relevant rental documents for review and approval by Philips within 90 days before delivery. Customer is responsible for converting the transaction to a lease and securing the leasing company's approval of these Conditions of Sale. No product will be delivered until Philips receives and approves the fully executed lease documents. If the lease does not fund, Customer guarantees payment of all monies due, Philips may convert the lease back to a purchase and invoice Customer, and Customer will pay all invoiced amounts per the invoice terms.

2.2 For any equipment being traded in ("Trade-In"), Customer warrants it has good and marketable title. The trade-in value depends on Customer providing the Trade-In by the date Philips makes the new Product available for first patient use and may change if Customer delays delivery, installation, or go-live dates, or if the Trade-In is not in good working order, is damaged, or differs from the Quotation. Customer must clean and sanitize all components, drain chiller lines, cap plumbing, and delete personal data. Customer agrees to reimburse Philips for any out-of-pocket costs arising from Customer's breach of this section.

3. Shipment and Installation

3.1 Philips will deliver the Products according to the shipping terms in the Quotation. Additional costs for different delivery terms are Customer's responsibility. Philips will make reasonable efforts to meet the delivery date confirmed by Philips with Customer prior to releasing the Product for production ("Delivery Date"). If Customer delays delivery beyond the Delivery Date, Customer will pay reasonable expenses incurred by Philips, including storage fees, transportation expenses, and related costs. Customer will pay any delivery installment payment upon delivery to Customer site or Philips warehouse.

3.2 For installation by Philips, Customer must at its own expense (i) provide secure, adequate storage for the Products and unobstructed access to the Products and installation site; (ii) comply with Philips' installation requirements and applicable safety, electrical, and building codes; (iii) remove hazardous material; (iv) obtain necessary permits and licenses; (v) assist in moving the Products to the installation site; and (vi) be responsible for rigging, removal of obstacles, and restoration work. If Products are connected to a computer network, Customer is responsible for network security.

3.3 If the above conditions are not met, Philips may interrupt installation and testing and extend the installation period, and Customer will pay any additional costs. Philips is not liable for the fitness or adequacy of the premises or utilities for installation or storage.

4. Product Warranty

4.1 Philips' Product-specific warranties are set forth at https://www.usa.philips.com/healthcare/support/terms-and-conditions, and such terms and conditions are incorporated herein as applicable to the Products under the Quotation. Customer's signature on, or issuance of PO in connection with, the Quotation will be deemed agreement that such Product-specific warranty(ies) apply to Customer's purchase. In the event a warranty is not listed on such webpage for a Product under the Quotation, the following Sections 4.2-4.9 apply to Customer's purchase.

4.2 For hardware Products, Philips warrants the Product will materially comply with its specifications for one year from acceptance or first clinical use, but in any event no more than 15 months from shipment, provided the Product has been properly used and maintained. Philips warrants disposable Products intended for single use will be of good quality until the expiration date.

4.3 Philips warrants stand-alone Licensed Software will substantially conform to the technical specification for 90 days from availability.

4.4 Philips warrants services will be performed in a good and workmanlike manner for 90 days after completion. Philips' sole liability, and Customer's sole remedy, for breach of this service warranty is to give credit for the service price or re-perform the services.

4.5 To make a warranty claim, Philips must receive written notice within the warranty period and a reasonable period after discovery of the defect. Replaced Product or parts must be returned to Philips and will be Philips' property.

4.6 Philips' warranty obligations and Customer's sole and exclusive remedy are, at Philips' option, repair or replacement of the Product or part, or a pro rata refund of the purchase price after a reasonable cure period and return of Product(s). Replacement parts will be new or equivalent.

4.7 Philips has no obligations for defects resulting from use, operation, modification, configuration, calibration, or maintenance not in accordance with the Product specification and instructions; abuse, negligence, accident, or damages caused by Customer; improper site preparation, external sources, or third-party products. Philips is not responsible for third-party product warranties but will make reasonable efforts to extend third-party warranties and service solutions to Customer.

4.8 During the warranty and any service arrangement, Customer must provide and maintain a dedicated high-speed internet connection for remote servicing compatible with Philips Remote Service Data Center (PRSDC). If Customer fails to provide access, Customer accepts any impact on Products availability,

additional cost, and speed of resolution.

4.9 THE WARRANTIES IN THESE CONDITIONS OF SALE AND QUOTATION ARE THE SOLE WARRANTIES MADE BY PHILIPS, EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, INCLUDING ANY WARRANTY OF NON-INFRINGEMENT, QUIET ENJOYMENT, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. PHILIPS DISCLAIMS IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. PHILIPS DOES NOT WARRANT ANY PRODUCT USING THE CLOUD TO BE UNINTERRUPTED OR ERROR-FREE.

5. Limitation of Liability

5.1 THE TOTAL LIABILITY OF PHILIPS FOR ALL DAMAGES AND CLAIMS ARISING FROM OR RELATING TO ANY PRODUCTS AND SERVICES UNDER THESE CONDITIONS OF SALE AND QUOTATION, WHETHER BASED ON TORT (INCLUDING NEGLIGENCE)), BREACH OF CONTRACT, INDEMNITY, AT LAW OR EQUITY, IS LIMITED TO THE TOTAL AMOUNTS PAID BY CUSTOMER TO PHILIPS UNDER THESE CONDITIONS OF SALE AND QUOTATION.

5.2 PHILIPS IS NOT LIABLE FOR INDIRECT, PUNITIVE, INCIDENTAL, EXEMPLARY, SPECIAL, OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF DATA, PROFITS, REVENUE, BUSINESS INTERRUPTION, OR USE, REGARDLESS OF WHETHER THEY ARE FORESEEABLE OR NOT AND WHETHER THE CLAIM IS MADE IN TORT, BREACH OF CONTRACT, INDEMNITY, AT LAW, OR IN EQUITY.

5.3 THE FOLLOWING ARE NOT SUBJECT TO THE LIMITATIONS OF LIABILITY UNDER SECTION 5.1 AND CONSTITUTE DIRECT DAMAGES: (a) THIRD-PARTY CLAIMS FOR BODILY INJURY OR DEATH CAUSED BY PHILIPS' NEGLIGENCE OR PROVEN PRODUCT DEFECT, (b) CLAIMS OF TANGIBLE PROPERTY DAMAGE REPRSENTING PHYSICAL PROPERTY DAMAGE CAUSED BY PHILIPS' NEGLIGENCE OR PROVEN PRODUCT DEFECT, (c) OUT-OF-POCKET COSTS FOR PATIENT NOTIFICATIONS REQUIRED BY LAW DUE TO PHILIPS' UNAUTHORIZED DISCLOSURE OF PROTECTED HEALTH INFORMATION, (d) FINES OR PENALTIES LEVIED AGAINST CUSTOMER BY GOVERNMENT AGENCIES DUE TO PHILIPS' UNAUTHORIZED DISCLOSURE OF PROTECTED HEALTH INFORMATION, AND (e) PHILIPS' INFRINGEMENT INDEMNIFICATION OBLIGATIONS.

6. IP Indemnification

6.1 Philips will indemnify, defend, and hold harmless Customer against any claim that a Philips Product infringes third-party intellectual property (IP), provided Customer gives Philips prompt written notice, full information and assistance, and sole control of the defense or settlement. If a Product is found or believed to infringe valid IP, or Customer is enjoined from using the Product, Philips may procure the right for Customer to use the Product, replace or modify the Product, or provide a pro rata refund upon return of the Product. Philips has no obligation for claims arising from compliance with Customer's designs, specifications, or instructions; use of Customer-supplied technical information; modifications by Customer; use not in accordance with specifications or instructions; use with other products not sold by Philips; use of prior releases; or use after Philips advises Customer to stop use. These terms state Philips' entire obligation and liability for infringement claims and Customer's sole remedy.

7. Ownership, Use, and Exclusivity of Product Documents and Other Proprietary Service Materials

7.1 Philips' documents, manuals, and technical information related to product maintenance or service are proprietary. They cannot be copied, reproduced, transmitted, disclosed, or used without Philips' written consent. Philips' technical maintenance or service software is also proprietary and intended solely for Philips' use, unless otherwise agreed in writing by Philips and Customer.

8. Export Control and Product Resale

8.1 Customer is responsible for obtaining export authorizations for the Products. US Customers cannot transfer Products outside the US.

9. Licensed Software Terms

9.1 Subject to Customer's compliance with these Conditions of Sale, Philips grants Customer a non-exclusive, non-transferable, non-sublicensable license to use software Products and software embedded in Products ("Licensed Software") according to the Quotation and according to the instructions for use accompanying the Products.

9.2 Licensed Software is licensed, not sold, and all intellectual property rights remain with Philips. Customer may make one backup copy. Customer will preserve the confidential nature of the Licensed Software and maintain copyright notice or proprietary legends on copies.

9.3 Customer will not (and shall not allow any third party to) decompile, disassemble, modify, reproduce, or otherwise reverse engineer the Licensed Software. Any modification of the Products or system shall be deemed unauthorized and may be deemed as remanufacturing of the Products or systems. Installation of Philips-issued patches or updates is not a modification.

9.4 Philips and its affiliates may use, on a royalty-free basis, feedback or suggestions for modification or enhancement of the Licensed Software for licensing to third parties. Customer agrees to comply with third-party licensed software terms and indemnify Philips for any damage arising from failure to comply. If the third-party licensor terminates the license, Philips may terminate the license with Customer and make reasonable efforts to procure a solution.

9.5 Customer is responsible for buying and managing anti-virus software to protect the products and all virus issues with the Licensed Software. Use of anti-virus in a manner not recommended by Philips is Customer's sole responsibility.

9.6 Customer's installation or use of unauthorized updates may adversely affect functionality and performance. Philips has no liability for performance issues caused by unauthorized updates, and the warranty is void during the period of use of such unauthorized updates. Philips may require Customer to roll back unauthorized updates to the most recent validated version before performing services. Philips tests the latest applicable security updates and publishes them as Philips Product Security Status documents. It is Customer's responsibility to deploy validated updates.

9.7 Customer will ensure third parties complete interface work by the interface testing date. Philips may terminate interface obligations and refund pre-paid amounts for interfaces, excluding amounts for work performed prior to termination, if Customer delays result in not meeting the interface testing date. Terminated interfaces will be re-evaluated under a separate new sales contract.

9.8 Philips is not responsible for business continuity or disaster recovery plans or data backup. Customer is responsible for daily backups and otherwise determining appropriate frequency. Backups should occur daily at a minimum. Hard drives on Products are not to be used as a data repository and all images and reports on Product shall be sent to different storage device such as Picture Archive and Communication System (PACS) or Health Suite Imaging (HSI) system, at minimum on a daily basis.

9.9 Professional services for Licensed Software implementation will adhere to a statement of work and be subject to these terms. A statement of work signed by the Customer is required by Philips at the time of Customer order placement of Philips Enterprise Informatics Licensed Software Products.

10. Confidentiality

10.1 The Parties will keep confidential any information of the other party and use it only to carry out their rights and obligations under these Conditions of Sale and the Quotation. This obligation does not extend to public domain information or information disclosed by law or court order.

11. Compliance with Laws

11.1 Each party will comply with all applicable laws, rules, and regulations.

11.2 Philips may process personal data in relation to services. Philips will process protected health information (PHI) as defined by HIPAA on behalf and by instruction of Customer under a Business Associate Agreement. Philips may process log files or device parameters containing personal data, including PHI, to provide services and comply with regulations and standards.

11.3 Customer consents to Philips' use of non-personal data for business purposes, including data analytics, product and service improvement, marketing claims,

and benchmarking. Philips will not use Customer's name without prior written consent.

12. Force Majeure

12.1 Neither party is liable for non-performance caused by circumstances beyond its control, including acts of God, war, civil war, insurrection, fire, flood, labor disputes, epidemics, pandemic, cyber-attack, terrorism, governmental regulations, embargoes, export control sanctions, or Philips' unavailability regarding permits, licenses, authorizations, default, or force majeure of suppliers or subcontractors. If Philips is unable to perform due to a force majeure event that continues for 90 consecutive days, Customer may terminate the Quotation for any Product(s) not yet delivered.

13. Miscellaneous

13.1 Products may contain remanufactured parts equivalent to new in performance.

13.2 If Customer becomes insolvent, files for bankruptcy, has assets assigned or frozen, Philips may cancel unfulfilled obligations or suspend performance. Customer's financial obligations remain in effect.

13.3 If any provision of these Conditions of Sale is deemed unlawful, unenforceable, or invalid, the remaining provisions remain in effect, and a new provision reflecting the original intent will be substituted.

13.4 Notices or communications will be given in writing and deemed effective if delivered in person or sent by courier or mail.

13.5 Failure to require compliance with any obligation does not affect the right to enforce it later.

13.6 Customer may not assign rights or obligations without Philips' prior written consent, except for a sale of substantially all of Customer's assets or internal reorganization, and provided that in each case Customer is not in breach of any payment obligations and the assignee assumes all liabilities and obligations in writing.

13.7 Customer's obligations do not depend on other agreements with Philips. Customer will not exercise any offset right in relation to other agreements.

13.8 All transactions are governed by the laws of the state where the Product will be installed, excluding the Uniform Computer Information Transactions Act (UCITA). EACH PARTY WAIVES ALL RIGHT TO TRIAL BY JURY OF ANY CLAIM ARISING WITH RESPECT TO THIS QUOTATION.

13.9 Customer will report immediately to Philips any event suggesting a Product may have caused or contributed to a death or serious injury or malfunctioned in a way that could likely cause or contribute to such events. Customer will report complaints regarding the identity, quality, performance, reliability, safety, effectiveness, labels, or instructions for use of the Products. Philips is responsible for submitting filings or reports to governmental authorities unless otherwise required by law.

13.10 Philips and Customer will comply with the Omnibus Reconciliation Act of 1980 (P.L. 96-499) and its implementing regulations (42 CFR, Part 420). Philips agrees that until the expiration of 4 years after furnishing Products pursuant to these Conditions of Sale, Philips will make available, upon written request of the Secretary of the Department of Health and Human Services, or upon request of the Comptroller General, or any of their duly authorized representatives, these Conditions of Sale and the books, documents, and records of Philips that are necessary to verify the nature and extent of the costs charged to Customer hereunder. Philips further agrees that if Philips carries out any of the duties of these Conditions of Sale through a subcontract with a value or cost of ten-thousand U.S. dollars ($10,000.00) or more over a 12 month period, with a related organization, such subcontract will contain a clause to the effect that until the expiration of 4 years after the furnishing of such Products pursuant to such subcontract, the related organization will make available, upon written request to the Secretary, or upon request to the Comptroller General, or any of their duly authorized representatives the subcontract and the books, documents, and records of such organization that are necessary to verify the nature and extent of such costs. This section relating to the retention and production of documents is included because of possible application of Section 1861(v) (1) (1) of the Social Security Act (42 U.S.C. 1395x (v) (1) (I) (1989)), as amended from to time to these Conditions of Sale. If Section 1861(v) (1) (1) should be found to be inapplicable, then this section will be deemed inoperative and without force and effect.

13.11 Philips, as the date of signature of the Quotation, represents and warrants that Philips, and its employees and subcontractors, are not debarred, excluded, suspended, or ineligible to participate in federal or state health care programs (an "Excluded Provider"). Philips will notify Customer if it becomes aware of any Excluded Provider status. Upon receipt of such notice, Customer will provide Philips with reasonable opportunity to discuss and attempt to resolve any concerns related to Excluded Provider status of Philips or its employee or subcontractor. In the event Philips is unable to resolve the Excluded Provider status of Philips or its employee or subcontractor, Customer may terminate orders for Product not yet shipped or services not rendered prior to the date Philips or its employees or subcontractors became Excluded Providers.

13.12 Customer will notify Philips if any portion of the order is funded under the American Reinvestment and Recovery Act (ARRA).

13.13 Customer acknowledges that certain policies, schedules, Product-specific terms, and other documents referenced in these Conditions of Sale are provided via embedded hyperlinks (collectively, "Hyperlinked Terms"). Customer represents that it has the ability to access, download, and store the Hyperlinked Terms and agrees that all Hyperlinked Terms are incorporated into, and form part of, these Conditions of Sale as if set out in full. If a hyperlink changes or is unavailable, the then-current version of the relevant Hyperlinked Term identified by title and version/date will control, and Philips will provide a copy upon request.

13.14 These Conditions of Sale, the terms in the Quotation, and any applicable Product-specific warranty constitute the entire agreement and supersede all previous understandings or agreements regarding the transactions contemplated by the Quotation. No additional terms, conditions, consents, waivers, alterations, or modifications are binding unless in writing and signed by the parties.

13.15 The Product-specific schedules included with these Conditions of Sale apply solely to the specified Products and govern in the event terms expressly set forth in the schedule conflict with terms expressly set forth in these Conditions of Sale.

PHILIPS

Schedule 4
Hospital Patient Monitoring & Hospital Respiratory Care (HRC) Portfolio (Rev 26)

Product Category	Products
Measurement and Monitors	IntelliVue Patient Monitors and Systems
	IntelliVue Telemetry System
	Fetal Monitors
	SureSigns/EarlyVue Vitals Monitors
	Clinical Measurements
	MR Patient Care Monitors
	PerformanceBridge Focal Point
Clinical Informatics	IntelliVue Critical Care and Anesthesia
	IntelliSpace Perinatal
	IntelliBridge Family of Solutions
Sleep Therapy	DreamStation Accessories
Hospital Respiratory Care Supplies	Patient Interface (Masks & Cannulas)
	Circuits
Diagnostic Cardiology Solutions	Stress Testing System (ST80i)
	Holter Monitoring System (DigiTrak)
	Cardiographs (PageWriter)
	IntelliSpace ECG

1. Payment Terms

1.1 Unless otherwise specified in the Quotation, Philips will invoice Customer and Customer will pay such invoice 100% of the purchase net 30 days from Philips' invoice date.

2. Supplies

2.1 Philips may charge a shipping fee for Hospital Respiratory Care (HRC) supplies.

2.2 Philips must authorize returns of any HRC supplies. Customer shall pay shipping charges for returns, and returns are subject to a 15% restocking charge. Philips does not accept returns of opened, expired, or damaged HRC supplies.

3. Installation

3.1 Acceptance occurs upon (a) completion of installation by Philips if installation is included or (b) delivery if installation is not included. If Customer schedules or delays installation by Philips more than 30 days after delivery, Customer's acceptance of the products will occur on the 31st day after delivery.

3.2 Installation of Products onto third party medical carts will align with International Electrotechnical Commission (IEC) 60601-1 publication, including but not limited to Section 8.4, Instability Hazards. Customer shall confirm that any such cart has four wheels with locking mechanism prior to installation.

4. Philips IntelliVue Products

4.1 If Customer elects to use the Philips IntelliVue Information Center on Customer provided general network versus dedicating a separate Philips provided IntelliVue Clinical Network, Philips advises that the likelihood of network or bandwidth outages is generally greater. The Philips IntelliVue Information Center is a secondary vital signs monitoring tool used to monitor bedside monitor alarm activity. Network or bandwidth outages may affect the Philips IntelliVue Information Center's ability to communicate with a bedside monitor such that it would not be available to get real time alarm information. Accordingly, Customer is reminded that its nursing protocols must be based on using the bedside monitor, at all times, as the primary medical device to use and respond to, for monitoring patient's vital signs.

5. Clinical Informatics Products, and Philips IntelliVue Information Center Product Family

5.1 The following additional terms apply to Philips Clinical Informatics IntelliVue Information Center Products:

5.1.1 Anti-Virus. Customer is responsible for anti-virus software with the Products. Use of anti-virus in a manner not recommended in the user manual or without Philips' validation is Customer's sole risk.

5.1.2 Data Backup/Disaster Recovery. Philips is not responsible for a business continuity/disaster recovery plan or back up of data and images processed by the system. Recommendations around disaster recovery are included in "Security for Clinical Networks" section accessible on the InCenter service portal at the following link: philips.mizecx.com.

6. PerformanceBridge Focal Point

6.1 Philips will provide access to the PerformanceBridge Focal Point software ("Focal Point") described herein or as otherwise specified on the Quotation(s) for the Sectors, as defined below:

6.1.1 A "Sector" is a location on a central station where a patient and the related patient equipment is assigned. Often used interchangeably with beds or patients, a Sector is Equipment under this Agreement.

6.1.2 A "Node" is an IP addressable network node, which is a configured component of a Philips Patient Monitoring System/Solution.

6.1.3 The term of the service is defined in the Quotation and the end date for all Sectors will be co-terminus.

6.2 Access

6.2.1 Access to Focal Point is granted on the basis that (a) the Customer maintains the configuration of the Products as they were originally designed and manufactured and (b) each Product includes only those subsystems and components certified by Philips. Focal Point may not perform as intended if a Product is modified by anyone other than Philips or a Philips authorized agent, or if Customer's systems include subsystems or components not certified by Philips. Philips does not assume any responsibility or liability with respect to unauthorized modification or substitution of subsystems or components.

6.3 Focal Point shall be used only on the Product(s) identified in the Quotation. Each Customer is limited to one instance of Focal Point per Customer site/location included in the quotation, and each Focal Point instance is limited to 4,000 Node connections. If additional Focal Point instances are required, determined solely by Philips, they will be provided upon mutual agreement of both parties. If there is more than one site or location, Customer must purchase the appropriate software maintenance coverage for each additional site or location to receive access to Focal Point.

6.4 Access to Focal Point is available to Customer and Philips support personnel working on-site and remotely. Philips will install Focal Point on virtual or physical hardware, pursuant to the system installation and reference guide.

6.5 Customer acknowledges that the Philips Administrator Account for Focal Point, and any related login credentials that Philips may provide to Customer is for use only by Philips and its authorized service representatives.

6.6 Telephone Support. Focal Point telephone and remote support coverage is included. Technical and Clinical Telephone and Remote Support coverage services are available 24 hours per day, 7 days per week, including Philips-recognized holidays. Philips Customer Care Support Line Call + 1 800-722-9377.

6.7 Remote Access and Diagnostics. Philips may remotely access any Customer system tied to the Equipment required to perform Services. Customer shall provide Philips remote access to the Equipment.

6.8 On-Site Software Resolution Response. Philips' primary method for software services is telephone and Philips Remote Services ("PRS"). Philips, at its sole discretion, may provide on-site software support services to resolve software issues that cannot be resolved through Philips' primary resolution method.

6.9 Application Patches. From time-to-time, Focal Point may require the remote installation of certain application updates, upgrades, or enhancements to properly maintain the application in accordance with Philips' specifications ("Application Patches"). Working with Customer, Philips reserves the right to manage all Application Patches.

6.10 OS Patches. Focal Point will periodically synchronize with a remote Windows Server Update Services (WSUS) server as defined within the Microsoft WSUS documentation. This synchronization is required for the Focal Point OS Patching feature to maintain an updated list of which Microsoft OS patches have been qualified by Philips and is required for the Focal Point OS Patching feature to function.

6.11 Data Processing; Specific Instructions to Philips. Focal Point will collect and aggregate machine-to-machine data which may include certain personal data (e.g., IP addresses) ("Machine Data"). Customer hereby instructs Philips to process personal data to the extent personal data is included in the Machine Data for or in relation to performing the services to Customer, and as necessary to comply with other reasonable instructions provided by Customer.

6.12 Protection of Data. Philips will take appropriate commercially reasonable technical and organizational measures to protect the personal data in accordance with the Business Associate Agreement between Philips and Customer.

6.13 Use of Machine Data. Philips acknowledges and agrees that Customer owns all Machine Data. Customer hereby licenses the Machine Data to Philips for use, processing, and aggregation consistent with this Agreement. Philips' usage will be solely in a primary usage manner to deliver functionality and services to Customer, which includes but is not limited to the aggregation and processing of Machine Data to enable users of Focal Point (including Philips) to see statistical and reporting information and to troubleshoot problems that may arise. Customer acknowledges that it can access and copy Machine Data at any time through the Focal Point, and that Customer may request in writing that Philips delete the Machine Data.

7. Support Services

7.1 Clinical Services. If included in the Quotation, Philips will provide clinical implementation services, at a time mutually agreed to by Philips and Customer and will be defined by Philips at Philips' sole discretion.

7.2 After-Hour Support. If included in the Quotation, clinical implementation after-hour support will be provided between the hours of 7 PM ‑7 AM, including weekends and holidays if needed.

7.3 Go-Live Support. Philips will provide clinical go-live support (onsite or remote) during the implementation of new version upgrades and updates. Go-live support will be scheduled between 7:00 AM ‑ 7:00 PM Monday through Friday for the new software version. Customer may request additional go-live support, or go-live support outside of standard hours, at an additional cost.

7.4 Clinical Education. Clinical services will be scheduled (onsite or remote) between 7:00 AM ‑ 7:00 PM Monday through Friday for the new software version. Customer may request additional clinical education or clinical education outside of standard hours, at an additional cost.

7.4.1 Clinical Education class size is limited to 10 participants;

7.4.2 Customer will provide a suitable location for on-site classroom education; and

7.4.3 Customer will provide full and free access and use of the Product for education.

7.5 Configuration. Configuration services will be scheduled between 7:00 AM ‑ 7:00 PM Monday through Friday and are limited to the new software version implementation. Customer will provide use of the equipment. Configurations are based on current monitoring solution. If expert screen services are required, as determined solely by Philips, they are available at an additional cost.

7.6 User Acceptance Testing. Following implementation of a new software version or configuration services, Philips and Customer will perform user acceptance testing. Philips will provide Customer with an electronic copy of the resultant configuration files and reports.

7.7 Travel Expenses. Unless otherwise stated in the Quotation, Philips' travel expenses for all clinical implementation services delivered at Customer site are included in the price.

7.8 Post Warranty Service. Service coverage may vary depending on the Product and use thereof. Post warranty services purchased with Products under the Quotation require an amendment incorporating the description of the covered products, price, payment terms, period of coverage, level of coverage, and Philips technology update service description, if purchased by Customer.

7.9 Warranty exclusions set forth in the Conditions of Sale apply to warranty and post-warranty services.

8. Customer Supplied Network (CSN) Installation and Configuration Responsibilities

8.1 Philips provides information on which patient monitoring devices (and in what locations) will be connected to the CSN following the standard IntelliVue Clinical Network design rules. During the CSN installation process, Philips is responsible for proper configuration and physical installation of the Products. In CSN situations, Philips does not configure the network or connect the Philips Products to the network. Customer has ownership of these tasks.

8.2 Customer Responsibilities:

8.2.1 Installation. Customer shall configure the network infrastructure devices as specified in the Philips CSN specification document, connect the Products to the network infrastructure, and confirm the Products have a network that meets the CSN specification document.

8.2.2 Ongoing Support. It is Customer's responsibility to (i) maintain the CSN in a manner that continuously adheres to the CSN specification and (ii) perform the first line of support for all questions related to the Products to determine if there is a clinical issue, Product issue, or a network connectivity issue and to contact the responsible party for resolution.

8.3 Unless the Products are being used in a telemetry fashion, the bedside monitor and bedside screen must be used as the primary patient alarm device.

8.4 Under no circumstances is Philips responsible for Customer's inability to use Products (including but not limited to loss of patient alarms or data) due to any CSN outages, downtime, or Customer's failure to properly maintain or configure the CSN.

PHILIPS

Schedule 20
IntelliSpace ECG Management as a Service (Rev 26)

IntelliSpace ECG Solution Management as a Subscription Service provides healthcare clients access to IntelliSpace ECG (ISECG) management software through a cloud environment.

1. Application of Terms and Conditions of Sale

1.1 This Product-specific Schedule for IntelliSpace ECG Management as a Service ("Schedule") is subject to and incorporated into the Conditions of Sale. Without limiting the applicability of Section 13.15 (Product-Specific Terms) therein, the following sections of the Conditions of Sale do not apply to this Schedule 20: 1.4 and 1.6 (Quotation, Order and Payment), 2 (Lease and Trade-In), 3.2 and 3.3 (Shipment and Installation), 4 (Product Warranty), and 9 (Licensed Software Terms).

1.2 Section 3 of the Conditions of Sale is modified by adding the following language for the purpose of this Schedule: "Customer shall be responsible for the security of Customer's environment network security, including but not limited to, using secure administrative passwords, installing the latest validated security updates of operating software and web browsers, running a Customer firewall as well as maintaining up-to-date drivers, and validated anti-virus and anti-spyware software."

2. Definitions

2.1 Customer Content means any information, in digital or other form, processed by Customer in relation to the Subscription Service, including but not limited to data, documents, e-mails and images, including Personal Data.

2.2 Deliverables means materials, work products, and documentation provided and/or delivered as part of the Professional Services.

2.3 Documentation includes the Philips-provided materials such as Instructions for Use (IFU) for the Subscription Service provided by Philips as may be updated from time to time by Philips.

2.4 Order Effective Date means the date the Quotation is accepted by Customer, as evidenced by the signature of Customer's authorized representative on such Quotation.

2.5 Order Term means the period(s) of time specified on the Quotation.

2.6 Professional Services means the services ordered by Customer and provided by Philips pursuant to this Schedule, including but not limited to installation, implementation, and training, excluding the provision of any Technical Support Services with respect to the Subscription Service or Software.

2.7 Quotation means the quotation offered by Philips and accepted by Customer that describes, among other things, the Services, term, maximum number of licensed records, software components and professional services purchased. The Quotation may be included as part of the Statement of Work.

2.8 Services means, collectively, the Subscription Service and any Professional Services.

2.9 Statement of Work (SOW) means the statement of work made pursuant to and a part of this Agreement, describing the implementation specifications, project plans, or other technical instructions, as applicable and agreed by the parties in writing prior to Philips' commencement of work. The SOW may include the Quotation.

2.10 Study, or Studies means patient related diagnostic data produced by medical devices and collected by the Subscription Service.

2.11 Subscription Service means the cloud application hosted and provided by Philips' designated websites to Customer, including Technical Support Services, all as described in the Documentation and as specified in the Quotation and Section 8 (Technical Support Services) below. Subscription Service includes any software manufactured by third parties.

2.12 Technical Support Services means the technical support services provided by Philips for the Subscription Service as set out in Section 8 (Technical Support Services) of this Agreement.

2.13 Third-Party Products and Services means any hardware, software, peripherals, network, content protected by copyrights, or other equipment or services, other than the Subscription Service or Customer Content, that 1) Customer has acquired or may acquire the right to use from a party other than Philips (irrespective of whether it is delivered by Philips) or 2) for which Philips is not the original equipment manufacturer.

2.14 Third-Party Terms means different or additional terms and conditions governing Customer's use of Third-Party Products and Services as may be supplied directly to Customer by the original equipment manufacturer for such Third-Party Products and Services or passed through to Customer by Philips.

2.15 Update means a minor release (from .x to .y), including bug fixes or limited enhancements, that is made generally available by Philips to all customers.

2.16 Upgrade means a major release (from x. to y.) that may offer substantial enhancements to Customer's purchased configuration that is made generally available by Philips to all Customers.

2.17 User(s) means any person who is authorized by Customer to use and access the Subscription Service solely for Customer's benefit, in accordance with this Schedule and has been supplied user identification and password by Customer.

3. Subscription Service Access

3.1 Subject to the terms and conditions of this Schedule, including (without limitation) full and timely payment of Fees and Customer's compliance with this Schedule, Philips will, during the Order Term, make the Subscription Service available to Customer and permits Customer to access the Subscription Service for the Order Term which Customer hereby accepts.

3.2 Delivery of the Subscription Service is effective upon Philips first providing Customer with access to Philips' standard instance of the Subscription Service, as evidenced by Customer's signature of Philips' Customer Acceptance Form. If Customer does not sign the Customer Acceptance Form within five business days from the date Philips provided to Customer, Customer shall then be deemed to have accepted the Subscription Service. Subscription Service Fees are not contingent on Philips' or Customer's configuration of the Subscription Service, or Customer data acquisition.

3.3 Customer agrees that its entering into the Agreement is neither contingent upon the delivery of any future functionality or features of the Subscription Service nor dependent upon any oral or written statements made by Philips with respect to future functionality or features of the Subscription Service. Philips' sole obligations are documented in this Agreement.

3.4 The Subscription Service can be used in conjunction with more than the number records stated within the Quotation. Subscriptions for additional records may be added for the Order Term according to Philips' then-current rates and may be subject to minimum purchase requirements according to Philips' current commercial policy.

3.5 Customer will use the Subscription Service solely as contemplated by this Schedule. Furthermore, Customer will not:

3.5.1 use the Subscription Service for any purpose other than in conformity with the Documentation including, but not limited to, in a manner inconsistent with any instructions for use;

3.5.2 sell, resell, rent, lease, transfer, assign, distribute, time share, or otherwise commercially exploit or make the Subscription Service available to any third party, other than to Users or as otherwise set forth on the Quotation without the express prior consent by Philips;

3.5.3 access the Subscription Service in order to (i) build a competitive product or service, or (ii) copy any ideas, features, functions or graphics of the Subscription Service; or

3.5.4 exceed the permitted use of the Subscription Service as described in the Quotation.

4. Deployment

4.1 The Subscription Service will be delivered and deployed by Philips or by a subcontractor named by Philips, as specified on the Quotation or SOW.

4.2 Customer is responsible for cooperating and performing its deployment responsibilities identified in the applicable SOW without delay.

4.3 Customer will maintain adequate internet connection bandwidth in compliance with the Documentation.

4.4 The parties understand that there may be instances where a performance obligation of Philips or Customer is dependent on a precedent performance obligation of the other party. In the event the other party does not perform its precedent performance obligation as of the scheduled date or in accordance with the specifications for such precedent performance obligation, such that the non-delaying party does not have adequate or sufficient time to fulfill its obligations in a commercially reasonable manner and stay within the agreed-upon schedule, the non-delaying party will be entitled to take a reasonably necessary amount of time to complete its performance obligation not less than the length of the delay engendered by the delaying party.

4.5 For any changes to Services (excluding modifications made by Philips to the Subscription Services generally applicable to all similarly situated Philips customers), the parties will follow the change control procedure as set out in this section. At any time during the applicable Order Term, either party may request a change to the SOW but no such change will be effective and binding unless a written change order is agreed and signed by authorized representatives of both parties. For the avoidance of doubt, and notwithstanding anything to the contrary, a change order can only amend the technical and commercial conditions of the applicable Quotation or SOW and will not in any event amend any the Terms and Conditions of Sale (e.g., relating to allocation of legal liability or compliance with regulatory requirements).

4.6 Philips may subcontract to contractors of Philips' choice any of its obligations to Customer or other activities performed by Philips under this Schedule. No such subcontract will release Philips from its obligations to Customer set forth herein.

5. Subscription Service Fees

5.1 Unless otherwise specified in the Quotation, Philips will invoice Customer, and Customer will pay such invoice within thirty (30) days of Philips' invoice date.

5.2 Unless otherwise set forth in the Quotation, fees for the Subscription Service ("Fees") will be invoiced by Philips upon Customer's signing of Customer Acceptance Form, and then every month from the start of the Order Term. The implementation fee will be billable upon the Order Effective Date.

5.3 Philips reserves the right to adjust customer list pricing and (or) net pricing during the Order Term of the agreement, in accordance with the Consumer Price Index published by the United States Department of Labor in its website at http://www.bls.gov/cpi. Such adjustment in pricing requires 30-day written notice, will not be retroactive, cannot start before the first year of the Agreement and will not exceed more than 5% change annually.

5.4 Philips will conduct a true up of Customer's annual Study volume at the end of each contract year. In the event Customer has exceeded its use of the Subscription Service beyond the maximum number of records identified on the Quotation, Philips will invoice, and Customer will pay, Philips' applicable Fees for such additional licensed records or studies per the table as follows, subject to minimum order quantity of not less than an entire care unit for the remainder of the Order Term.

1% to 20% increase of the annual ECG Study volume	20% discount on the fee of the incremental ECG Study volumes
21% and above increase of the annual ECG Study volume	20% discount on the fee – 1% to 20% of the incremental ECG Study volumes Additional 10% discount on the fee - above 21% of the incremental ECG Study volumes

Customer may roll up to 10% of the unused ECG Study volume from a contract year to the following year.
For clarity, no refund will be issued for unused ECG Study volume.

5.5 Subscription Service Fees may be re-evaluated prior to renewal. Changes to the Subscription Service Fees will be communicated through an updated Quotation.

5.6 Subscription Service Fees are not decreased based on actual usage.

6. Responsibilities of Parties

6.1 Philip will provide Customer access to use the ISECG software in accordance with this Schedule.

6.2 Technical Support Services

6.2.1 Philips will provide Technical Support Services during the Order Term in accordance with this Agreement.

6.2.2 Customer will provide full and timely cooperation with Philips' Technical Support Services resources.

6.3 Security

6.3.1 Customer Environment and Users

6.3.1.1 Customer is responsible for Customer's infrastructure necessary for access to the Subscription Service (e.g. Customer's employees, subcontractors, agents).

6.3.1.2 Customer must employ industry-standard virus protection software and security protection for Customer's infrastructure for access to Subscription Service.

6.3.1.3 Customer is responsible for all activities that occur in User accounts and for Users' compliance with this Schedule. Customer will: (i) have sole responsibility for the accuracy, quality, integrity, legality, reliability, and appropriateness of all Customer Content in the Subscription Service; (ii) use commercially reasonable efforts to prevent unauthorized access to, or use of, the Subscription Service, and notify Philips promptly of any such unauthorized access or use and promptly furnish full details of such use or access, and cooperate fully with Philips in any litigation against third parties deemed necessary by Philips to protect Philips' proprietary and contractual rights; and (iii) ensure the proper configuring, programming, updating, and operating of Customer's hardware, software, websites, content, and telephone and internet connections to allow access to and use of the Subscription Service.

6.3.2 Philips' Environment

6.3.2.1 Philips will host the ISECG on a Philips-approved cloud platform so that it may be accessed by Users through an industry-standard web browser via a secure connection. Any Philips-hosted ISECG cloud platform instance will be located at Philips' determined domestic locations unless otherwise agreed.

6.3.2.2 Philips will provide for the security of the Subscription Service by way of reasonable and appropriate physical, technical, and administrative controls according to Philips' information security management, risk management, and data privacy practices, including audits of Philips' Information Security Management System, and risk-based assessments that incorporate entity and cloud vendor supply chain obligations.

6.3.2.3 Philips will use commercially reasonable efforts to restore the data from the last available backup upon Customer's request. Philips shall not be responsible for any losses or damages related to or resulting from loss of Customer Content.

7. Warranty

7.1 Philips warrants that the Subscription Service will perform materially in accordance with the Documentation during the Order Term.

7.2 If the warranty set out in Section 7.1 is breached, Customer must promptly notify Philips in writing. Upon receipt of such notice of nonconformity, Philips will use commercially reasonable efforts to repair or modify the Subscription Service to make it perform in accordance with the Documentation. All corrections will be made in accordance with Philips' Subscription Service Technical Support Services Policy. Philips does not represent or warrant that all errors can be corrected. If, after using commercially reasonable efforts for a period not less than 60 days, Philips is unable to replace or repair the Subscription Service, Customer may terminate this Schedule without liability upon written notice to Philips. The foregoing are Customer's sole and exclusive remedies for breach of this warranty.

7.3 The warranty set forth herein will not apply if the warranty claim arises out of Customer's: (i) use of the Subscription Service contrary to the Documentation or Philips' written instructions, (ii) modification of the Subscription Service, or (iii) failure to provide prompt notice to Philips as set forth in Section 7.2.

7.4 The warranty set forth in this Schedule does not apply to any Third-Party Products and Services. Warranties for Third-Party Products and Services (if any) may be supplied directly to Customer by the third- party suppliers.

7.5 THE WARRANTY IN CLAUSE 7.1 IS MADE TO AND FOR THE BENEFIT OF CUSTOMER ONLY. EXCEPT AS SPECIFICALLY SET FORTH IN THIS SCHEDULE, PHILIPS MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, RELATING TO THE SUBSCRIPTION SERVICE, INCLUDING BUT NOT LIMITED TO ANY WARRANTY THAT THE SUBSCRIPTION SERVICE WILL MEET CUSTOMER'S REQUIREMENTS, OR WILL OPERATE ERROR FREE OR UNINTERRUPTED. PHILIPS SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, WHETHER STATUTORY OR OTHERWISE, OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD-PARTY RIGHTS OR ANY WARRANTIES REGARDING THE QUALITY OF CUSTOMER CONTENT, EXCEPT TO THE EXTENT THAT ANY WARRANTIES IMPLIED BY LAW CANNOT BE VALIDLY WAIVED.

7.6 Philips is not responsible for circumstances beyond its control, including without limitation: non-Philips' supplied infrastructure or application programming interfaces, single sign-on capability, hardware, virtual machines, network (connectors), information, content, software, scripts, data, files, application programming, web servers or service, materials, equipment; acts or omissions of Customer or its agents; virus or hacker attacks; intentional shutdown for emergency intervention or security incidents; acts or omissions of a party other than Philips; Customer's failure to comply with Philips' Documentation and security and upgrade policies; or Customer's use of Subscription Service in violation of this Schedule.

8. Technical Support Services

8.1 Technical Support Services. Technical Support Service consists of telephone and remote support, and interface support.

8.2 Coverage. Unless otherwise set forth in this Agreement: (i) Philips will provide Technical Support Services Mondays through Fridays, 8:00 AM to 5:00 PM Customer local time, excluding Philips observed holidays ("Service Coverage"); and (ii) travel necessary to perform the Technical Support Services is excluded.

8.3 Initial Telephone Response Time. Philips will make reasonable efforts to make an initial response to a Customer request for Technical Support Services within one hour from the receipt of the request. Otherwise, Philips will respond within two hours of the receipt of the original message.

8.4 Philips Internet-based Customer Support Tools. Philips will provide Customer access to the applicable web-based support tool platform for the Subscription Service.

8.5 Subscription Service Availability. Customer agrees to provide Philips and its representatives full and free access to Customer's site and the Subscription Service in order to perform the Technical Support Services and to confirm Customer's compliance with any of its obligations hereunder.

8.6 Software Upgrades, Updates and Fixes. Philips will provide Updates and Upgrades to the Subscription Service application software during the Term as such Updates and Upgrades are made generally available by Philips. Customer acknowledges that certain functionality and options in current and previous Subscription Service versions may not be available in subsequent Upgrades or Updates. Unless specifically included elsewhere in this Agreement, software Updates do not include Third-Party Products and Services. Customer agrees to follow advanced written instructions provided by Philips for the enablement of Updates and Upgrades.

8.7 Customer Responsibilities.

8.7.1 System administrator. The Customer shall designate an individual(s) to serve as its system administrator ("System Administrator") and an alternate, who will serve as Philips' primary support contacts. These individuals should be familiar with all aspects of training provided by Philips, including end-user and system administrator training.

8.7.2 Security. Customer is solely responsible for providing adequate security to prevent unauthorized System access to Philips (or its third-party vendors) proprietary and Confidential Information.

8.7.3 Intermediate Resolutions. Customer shall implement any intermediate System resolutions or workarounds as requested by Philips while Philips seeks a long-term System resolution.

8.8 Service Limitations.

8.8.1 Non-Philips Software Assistance. Requests for assistance with Third-Party Products and Services are outside the scope of this Agreement.

8.8.2 Exclusions. Unless expressly agreed upon by the parties in writing, the Technical Support Services do not include: any service required as a result of a design, specification or instruction provided by Customer; the failure of anyone to comply with Philips' written instructions or recommendations; any use of the Subscription Service with Third-Party Products and Services not approved by Philips; any product maintained under this Agreement in which Customer does not allow Philips to incorporate engineering or other improvements; operating system software issues that manifest themselves in non-performance of another installed application or otherwise affect use or performance of the Subscription Service; any network related problems; damage caused by an external source, regardless of nature; any services that Philips cannot provide in accordance with applicable law; data recovery or restoration (other than as specified in Section 6.4); service or support for any other circumstance beyond Philips' reasonable control.

9. Obsolescence

9.1 Customer acknowledges and agrees that the Subscription Service functionality, features, specifications, and Documentation are subject to change by Philips at any time, provided that Philips will not materially degrade the functionality or security of the Subscription Service and will provide reasonable advanced notice of any substantial changes.

9.2 Philips may determine that the Subscription Service is obsolete, or "End of Life," and that no version will be maintained or supported. Accordingly, Philips may no longer provide the Subscription Service or Technical Support Services for same. In such event, Philips may, with 180 days' prior notice, terminate the Agreement without liability, and provide Customer with a refund of any pre-payments for periods of any Technical Support Service and Subscription Service not yet rendered.

10. Audit Rights and License

10.1 For the duration of the Order Term and for a period of six (6) months after its termination, Customer will allow Philips to carry out audits, including (without limitation) electronic audits, of Customer's use of the Subscription Service in order to verify Customer's compliance with the terms of this Schedule.

10.2 The Subscription Service incorporates license management tools and technology to ensure Customer complies with this Schedule and to allow Philips to exercise self-help remedies in the event temporary or permanent suspension of Customer's use of the Subscription Service is required in accordance with Section 14.5 herein. Philips will not exercise any such self-help remedies without prior written notice to Customer, unless such prior written notice is

reasonably not possible, for instance, with regard to the protection of the security of the Subscription Service. Customer consents to such license management tools and technology and their exercise by Philips on the conditions above.

11. Privacy

11.1 The parties acknowledge that all PHI will be processed pursuant to Section 11 of the Conditions of Sale.

12. Intellectual Property Rights

12.1 Ownership. Except for the limited-use license explicitly granted to Customer herein, Philips owns all rights, title and interest, including intellectual property rights, in and to the Subscription Service, Deliverables, Documentation and other Philips' confidential information and all modifications and derivative works of each of the foregoing.

12.2 Feedback. Philips will have the right to use in any manner that Philips determines any suggestion, idea, enhancement request, feedback, recommendation, or other information relating to the Subscription Service that Customer may supply or communicate (collectively, "Feedback") and Customer agrees that Philips will be the exclusive owner of any intellectual property rights therein or arising from Philips' use of such Feedback.

13. Customer Indemnification

13.1 Customer understands and agrees that the Subscription Service is an informational tool only and not a substitute for the professional judgment and care of healthcare providers in diagnosing and treating patients. Customer will defend and indemnify Philips against any and all losses and liabilities in connection with any claim arising from Customer's use of the Subscription Service contrary to the Documentation or instructions for use provided by Philips, or from Customer's failure to maintain adequate backup procedures to maintain continuity of patient care in the event of Subscription Service unavailability. Customer further agrees to defend and indemnify Philips against any and all losses and liabilities in connection with any claim: 1) that Customer Content infringes the privacy or intellectual property rights of another party or 2) arising out of Customer's noncompliance with Third-Party Terms.

14. Term and Termination

14.1 Order Term. The Order Term, and the applicability of this Schedule, commences on the Order Effective Date, and shall continue for the term specified on the Quotation and following Customer's execution of the Customer Acceptance Form.

14.2 Termination for Breach. Either party may terminate an Order Term upon a material breach of this Agreement by the other party, if such breach is not cured within 30 days after receipt of written notice specifying the breach. Termination or expiration of the Order Term will result in termination of this Schedule.

14.3 Effect of Termination and Expiration. Termination of the Schedule for any reason will not constitute a termination of any other orders, or schedules made under the Terms and Conditions of Sale that are not subject to this Schedule, and will not relieve Customer of any of its obligations incurred prior to such termination including, but not limited to, payment of all outstanding invoices for Subscription Service performed until the effective date of such termination and will not impair any of Philips' rights which have accrued prior to such date. In the event of termination due to Customer's breach: 1) all fees or charges due for the remaining period of the Order Term will immediately become due and payable and 2) Philips' obligations under this Schedule will cease. Upon termination or expiration of this Schedule or the Order Term, for any reason, Customer will immediately cease accessing the Subscription Service.

14.4 Customer Content. For a period of 90 days after the effective date of termination or expiration, Philips will make available to Customer for download the Customer Content stored in the Subscription Service. During that time, the data storage fee will be billed at 30% of the subscription fee per month. After such 90 day period, Philips will have no obligation to maintain or provide any Customer Content and will have the right, unless legally prohibited, to delete all such Customer Content in its systems or otherwise in its possession or under its control.

14.5 Suspension of Service. In addition to any of its other rights or remedies Philips may, at its discretion, suspend the Subscription Service or Professional Service, where Customer has failed to perform any obligation under this Schedule where such breach is irremediable or, if the breach is remediable, fails to remedy such breach within 30 days after being notified in writing to do so. Philips will not exercise this remedy without prior written notice to Customer, unless such prior written notice is not reasonably possible, for instance, with regard to the protection of the security of the Subscription Service.

15. Professional Services Terms.

15.1 Recommendations Only. The Professional Services may include advice and recommendations, such Services are advisory in nature, Customer is responsible for evaluating such advice and considering all relevant factors and shall be solely responsible for the decision to implement such advice and any and all outcomes.

15.2 Timelines and Labor Hours. Unless expressly agreed upon between the parties in writing, any hours and dates described in the Quotation and/or SOW, including (without limitation) with regard to milestones and Deliverables, are estimates only and are solely intended for Philips' budgeting purposes and resource- scheduling purposes. Philips exceeding an estimate does not constitute a breach by Philips.

15.3 Fees, Expenses, and Payment.

15.3.1 If the Quotation includes more than one Deliverable (for example, multiple projects) and each such Deliverable has a price associated with it, then (i) each such Deliverable will be deemed to be a standalone item, (ii) Philips may invoice for each item as it is delivered, and (iii) Customer will pay for each item as it is invoiced.

15.3.2 Unless expressly stated otherwise in the Quotation, in addition to the Fees, Customer will reimburse Philips for all expenses actually incurred by Philips in performing the Professional Services, including travel, lodging, meals, transportation, and other customary out-of-pocket expenses. At Customer's request, Philips will furnish reasonable documentation supporting all such expenses.

15.3.3 Unless a Quotation explicitly sets forth the Deliverable to be provided on a fixed fee basis, Professional Services are Quoted on an hourly basis, and any totals listed are estimates of the total required for the Deliverable/Professional Services, Customer will be invoiced on the actual hours spent performing the Professional Services. Such invoice may exceed the total estimated hours listed in the Quotation. If Philips foresees that the estimated amount of hours will be exceeded, it will use commercially reasonable efforts to inform Customer thereof.

15.4 License for Use. Professional Services Deliverables are provided under a nonexclusive, nontransferable license for Customer's use in its internal operations subject to Customer's continued compliance with the terms of this Schedule.

15.5 Customer's Responsibilities. Philips' responsibility to provide the Professional Services, meet the milestones (if any), and provide Deliverables is contingent on Customer meeting its responsibilities in a timely and appropriate fashion, free of charge. If Customer fails to meet such responsibilities, it may result in an increase in the Fees, or in delays or extensions of the agreed milestones or Deliverables.

Customer will provide:

15.5.1 access to Customer's employees, representatives, or agents required to accomplish the objectives described in the Agreement;

15.5.2 access to relevant information and materials (written and electronic) as needed to accomplish the objectives described in the Agreement;

15.5.3 prompt written notification to Philips if Customer knows that earlier-provided information or materials are incorrect or have changed in such a way that any inaccuracy or change may impact Philips' delivery of the Professional Services in any way;

15.5.4 written information to Philips identifying all healthcare and other regulatory and quality requirements applicable to the Professional Services, and Customer will obtain all required approvals of the relevant governmental or regulatory bodies to permit Philips to perform the Professional Services for Customer;

15.5.5 Philips personnel with adequate safety and other training and familiarize them with local procedures and rules of Customer;

15.5.6 written feedback promptly upon Philips' request; and

15.5.7 Philips with a Customer representative, in writing, who will be responsible for providing the items described in this Section 15.5 and any other information, materials, or feedback requested by Philips in connection with the Professional Services.

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Report on upcoming anticipated retroactive agreements

Recommended Action: Receive and File

Summary:

On February 18, 2025, your Board requested that staff notify your Board of upcoming retroactive agreements. Staff has compiled the attached report on upcoming anticipated retroactive agreements since last reported in March. As requested, all board memos will state the reason for the retroactivity and reference the date your Board was first notified the agreement would be retroactive.

Therefore, it is recommended that your Board receive and file the attached report.

BOARD OF GOVERNORS
REPORT ON UPCOMING ANTICIPATED RETROACTIVE AGREEMENTS
April 15, 2026

Agreement	Description
Verity Solutions	Amendment enhances ability to claim 340B savings, but was unable to be finalized in time for April Board Deadlines.
Arthrex Amendment No. 1	Amendment to extend Preferred Supplier-Provider Pricing agreement to maximize savings on supplies for surgery. Discussions regarding the final pricing and budget were not completed in time to place on the agenda.
Resolution for Donation of Travel	Donation of travel from Health Connect Partners, notification of donation was made after April Board Deadlines
DBRS Medical Systems, Inc.	Increase maximum payable for CT trailer that was extended due to project timelines.
PACE Analytical Services, LLC	Agreement for soil testing as a part of plans to abandon the underground storage tank in place. Negotiations over terms and conditions continued past April. Expectation of non-standard terms in final agreement.

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

SUBJECT: Proposed retroactive Amendment No. 4 to Agreement 045-2022 with Randolph Fok, M.D., an independent contractor, for professional medical services in the Department of Obstetrics and Gynecology

Requested Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical recommends your Board retroactively approve Amendment No. 4 to Agreement 045-2022 with Randolph Fok, M.D., for professional medical services in the Department of Obstetrics and Gynecology. Dr. Fok, who specializes in the diagnosis and treatment of women with high-risk pregnancies, serves as Kern Medical's Chief, Division of Maternal-Fetal Medicine. Dr. Fok has provided services at Kern Medical since 1985. The Agreement expired March 31, 2026.

The proposed Amendment extends the term for an additional two years from April 1, 2026 through March 31, 2028. Dr. Fok will be compensated annually based on a fixed fee in the amount of $370,000 per year that is prorated monthly in two equal payments of $15,416.67 each. He will continue to be paid for call coverage and as-needed shift coverage at the rates set forth in the Agreement. The maximum payable under the Agreement will not exceed $2,265,000 over the six-year term.

The Agreement is being brought forward retroactively due to an oversight by the Vice President of Strategic Development in timely identifying that the Agreement was due for renewal in March 2026. There have been changes made to the tracking process in an attempt to keep this from occurring in the future.

Therefore, it is recommended that your Board retroactively approve Amendment No. 4 to Agreement 045-2022 with Randolph Fok, M.D., for professional medical services in the Department of Obstetrics and Gynecology for the period April 1, 2024 through March 31, 2026, extending the term for two years from April 1, 2026 through March 31, 2028, and increasing the maximum payable by $750,000, from $1,515,000 to $2,265,000, to cover the term, and authorize the Chairman to sign.

AMENDMENT NO. 4
TO
AGREEMENT FOR PROFESSIONAL SERVICES
INDEPENDENT CONTRACTOR
(Kern County Hospital Authority – Randolph Fok, M.D.)

This Amendment No. 4 to the Agreement for Professional Services is made and entered into this _____ day of _____, 2026, between Kern County Hospital Authority, a local unit of government ("Authority"), which owns and operates Kern Medical Center ("KMC"), and Randolph Fok, M.D., a sole proprietor ("Contractor"), whose principal place of business is located at 2330 Truxtun Avenue, Suite A, Bakersfield, California 93301.

RECITALS

(a) Authority and Contractor have heretofore entered into an Agreement for Professional Services (Agt. 045-2022, dated March 16, 2022), Amendment No. 1 (Agt. 038-2024, dated March 20, 2024), Amendment No. 2 (Agt. 72525, dated September 30, 2025), and Amendment No. 3 (Agt. 01426, dated January 14, 2026) (collectively the "Agreement"), for the period April 1, 2022 through March 31, 2026, for professional medical services in the Department of Obstetrics and Gynecology at KMC; and

(b) The parties agree to amend certain terms and conditions of the Agreement as hereinafter set forth; and

(c) The Agreement is amended effective April 1, 2026;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the parties hereto agree to amend the Agreement as follows:

1. Section 1, Term, shall be deleted in its entirety and replaced with the following:

> "1. **Term.** This Agreement shall be effective and the term shall commence as of April 1, 2022 (the "Effective Date"), and shall end March 31, 2028, unless earlier terminated pursuant to other provisions of this Agreement as herein stated."

2. Section 4, Payment for Services, paragraph 4.1, Compensation, subparagraph 4.1.1, Maternal-Fetal/High Risk Obstetrical Coverage, shall be deleted in its entirety and replaced with the following:

> "4.1.1 Maternal-Fetal/High Risk Obstetrical Coverage. Authority shall pay Contractor an annual fixed fee in the amount of $370,000 per year for maternal-fetal and high-risk obstetrical coverage as follows: Contractor shall be entitled to receive two (2) payments per month, each payment being equal to $15,416.67, payable on or before the tenth (10th) day and the twentieth (20th) day of each month during the term of this Agreement. Invoices for payment shall be

submitted in a form approved by Authority. Invoices shall be sent to KMC for review and processing on or before the first (1st) day and tenth (10th) day of each month."

3. Section 4, Payment for Services, paragraph 4.2, Maximum Payable, shall be deleted in its entirety and replaced with the following:

"4.2 Maximum Payable. The maximum payable under this Agreement shall not exceed $2,265,000 over the six (6) year term of this Agreement."

4. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.

5. This Amendment shall be governed by and construed in accordance with the laws of the state of California.

6. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

7. Except as provided herein, all other terms, conditions, and covenants of the Agreement and any and all amendments thereto shall remain in full force and effect.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS TO THE FOREGOING, the parties have executed this Amendment No. 4 as of the day and year first written above.

CONTRACTOR

By_____
Randolph Fok, M.D.

KERN COUNTY HOSPITAL AUTHORITY

By_____
Chairman
Board of Governors

APPROVED AS TO CONTENT:

By_____
Scott Thygerson
Chief Executive Officer

APPROVED AS TO FORM:
LEGAL SERVICES DEPARTMENT

By_____
Vice President & General Counsel
Kern County Hospital Authority

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Kern County Hospital Authority Chief Financial Officer Report – February 2026

Recommended Action: Receive and File

Summary:

Kern Medical Operations:

Kern Medical key performance indicators:

- Operating gain of $814,499 for February is $614,464 more than the February budget of $200,035 and $472,390 less than the $1,286,889 average over the last three months
- EBIDA of $2,282,353 for February is $444,818 more than the February budget of $1,837,535 and $609,219 less than the $2,891,572 average over the last three months
- Average Daily Census of 173 for February is 4 less than the February budget of 177 and 3 more than the 170 average over the last three months
- Admissions of 823 for February are 16 more than the February budget of 807 and 44 less than the 867 average over the last three months
- Total Surgeries of 519 for February are 6 more than the February budget of 513 and 14 more than the 505 average over the last three months
- Clinic Visits of 21,812 for February are 2,346 more than the February budget of 19,466 and 1,422 more than the 20,390 average over the last three months

The following items have budget variances for the month of February 2026:

Patient Revenue:
Gross patient revenue has a 3% unfavorable budget variance for the month and a 2% favorable budget variance on a year-to-date basis. The favorable variance is mainly due to a 3.5% charge description master (CDM) price increase that became effective on July 1, 2025 and to a lesser extent, patient volumes. Kern Medical expects strong patient census levels and consistently high gross patient revenue for FY 2026.

Indigent and Correctional Medicine Funding Revenue:
Indigent funding has an unfavorable budget variance for the month and on a year-to-date basis due to a conservative approach to recognizing indigent funding revenue. For the current month, Kern Medical has only recognized 95% of the total projected revenue for the Managed Care Rate Range Program, the Medi-Cal Quality Assurance Fee Program, the Physician SPA Program, the Graduate Medical Education (GME) Program, and the AB915 Outpatient Supplemental Funding Program. Kern Medical recognizes 100% of the total projected revenue for the Medi-Cal waiver programs including the Global Payment Program (GPP), Enhanced Care Management (ECM), the Enhanced Payment Program (EPP), and the Quality Incentive Program (QIP).

Other Operating Revenue:
Other operating revenue is under budget for the month and on a year-to-date basis. Other operating revenue consists of items such as medical education funding, grant funding, Proposition 56 funding, and other miscellaneous non-patient related revenue. These items are received quarterly or otherwise periodically. Therefore, actual month-to-date and year-to-date revenue compared to the budget fluctuates throughout the year.

Other Non-Operating Revenue:
Other non-operating revenue is under budget for the month and over budget on a year-to-date basis. Other non-operating revenue consists of miscellaneous items such as revenue for providing out-of-network physician services. These miscellaneous items are not received consistently throughout the year. Therefore, the actual dollar amount recorded for this line item may fluctuate versus budget on a monthly basis and on a year-to-date basis.

Salaries Expense:
Salaries expense is 4% under budget for the month and 3% under budget on a year-to-date basis.

Benefits Expense:
Benefits expense is 6% under budget for the month and 6% under budget on a year-to-date basis.

Nurse Registry Expense:
Nurse registry expense is 23% under budget for the month and 15% under budget on a year-to-date basis. The overall use of nurses under contract was reduced with the intent to hire more nurses as Kern Medical employees.

Medical Fees:
Medical fees are 7% over budget for the month and 18% over budget on a year-to-date basis. The unfavorable variance is due to higher-than-average fees paid to the Hayes Locums physician staffing agency.

Other Professional Fees:
Other professional fees are 62% over budget for the month and 18% over budget on a year-to-date basis. The unfavorable variance is due to higher-than-average legal fees and an under accrual for Oracle EHR costs.

Supplies Expense:
Supplies expense is 1% under budget for the month and 1% under budget year-to-date. The favorable variances are due to lower-than-average pharmaceuticals costs and lower than average surgical and other medical supplies costs.

Purchased Services:
Purchased services are 0.4% under budget for the month, but 5% over budget on a year-to-date basis due to higher-than-expected software maintenance costs and ambulance fees.

Other Expenses:
Other expenses are 18% over budget for the month and 9% over budget on a year-to-date basis due to higher-than-average repairs and maintenance expenses and higher-than-average expenses for dues and subscriptions.

Interest Expense:
Interest expense is under budget for the month and year-to-date due to lower-than-average interest paid for the PNC Bank credit line. The monthly interest fluctuates depending on whether or not Kern Medical has borrowed against the credit line and depending on current interest rates.

Depreciation and Amortization Expense:
Depreciation expense is under budget for the month, but over budget on a year-to-date basis due to various equipment put in service during FY 2026. Amortization is under budget for the month and on a year-to-date basis due to less than average amortization expense for right-of-use (ROU) capital leases and less than average amortization expense for subscription-based information technology arrangement (SBITA) software. A change in the treatment of accounting for leases under GASB 87 was implemented in FY 2022. GASB 87 requires leases to be set up as assets at fair market value and amortized over time. Corresponding right-of-use liabilities are also set up for leases with applicable interest expense accrued. The net effect of the implementation of GASB 87 is minimal. There is a corresponding decrease in lease expense under the other expenses section of the income statement that offsets the increases in amortization expense and interest expense. A change in the treatment of accounting for subscription-based software under GASB 96 was implemented by Kern Medical in 2023. The accounting treatment for subscription-based software under GASB 96 and its net effect financially is the same as for lease accounting under GASB 87 as described above.

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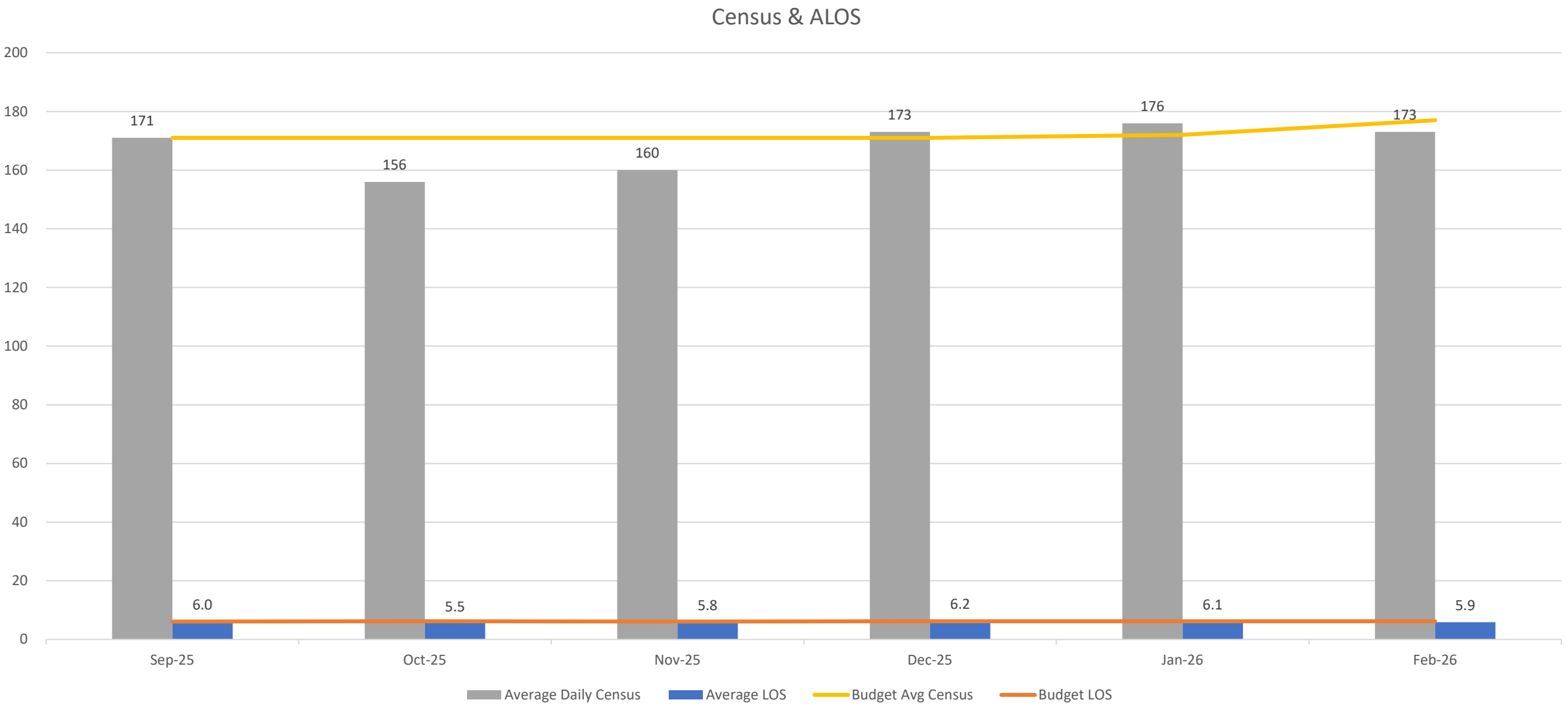
Board of Governors' Report

Kern Medical – February 2026



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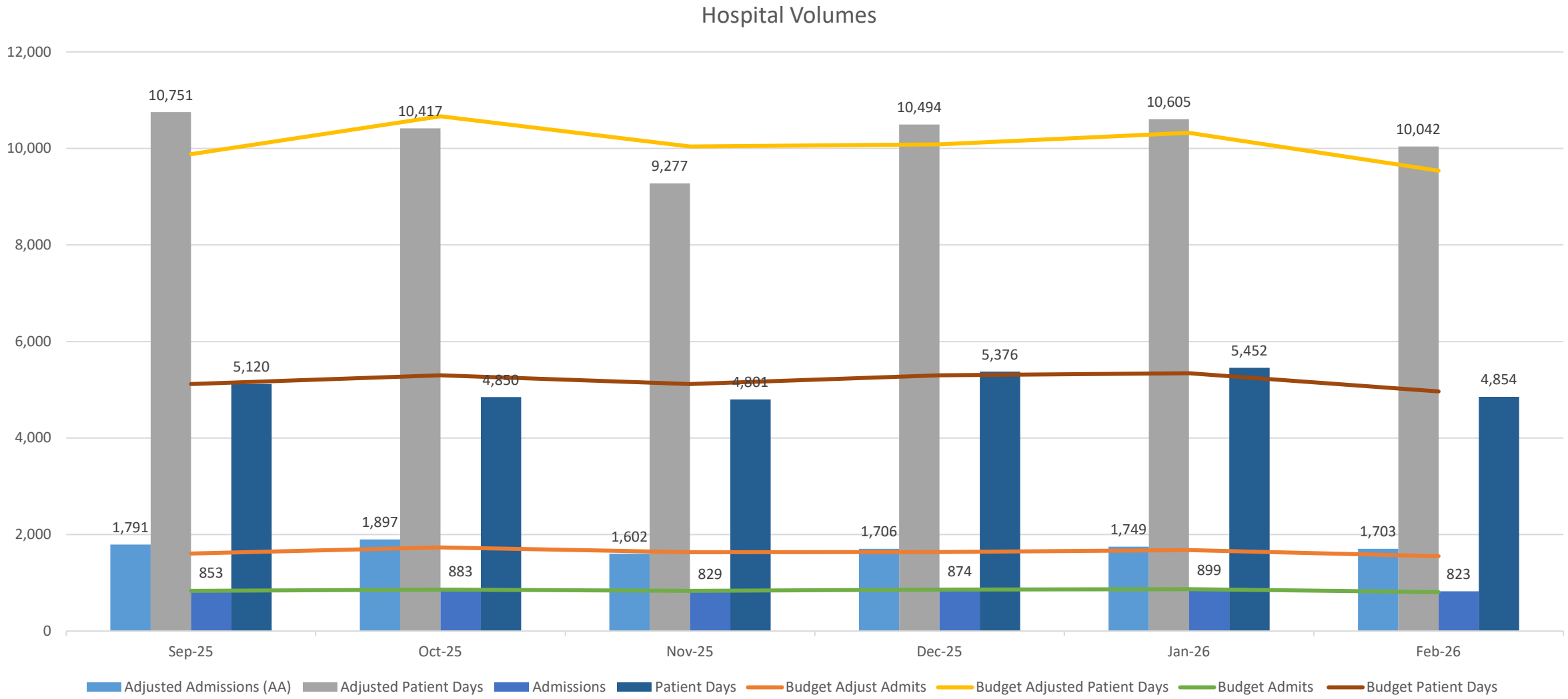

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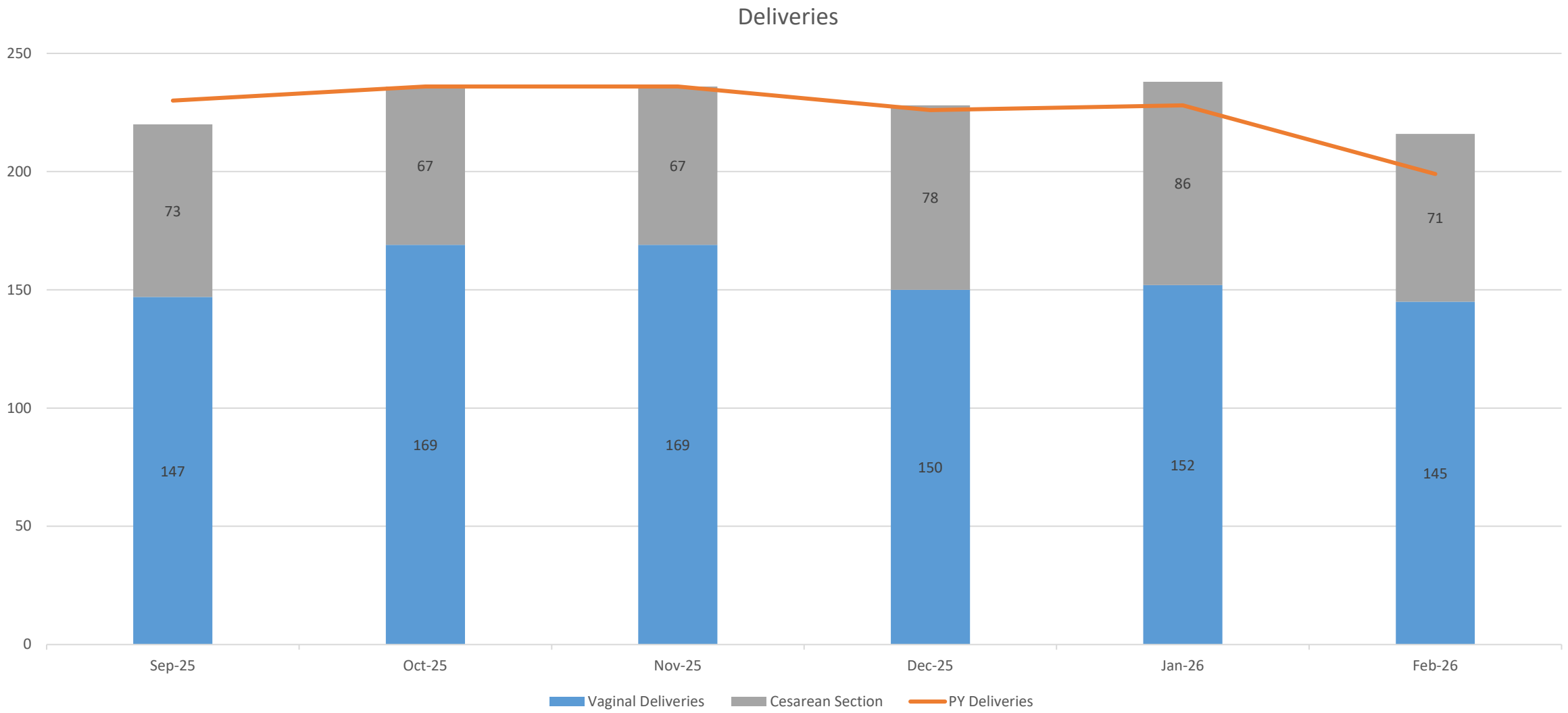

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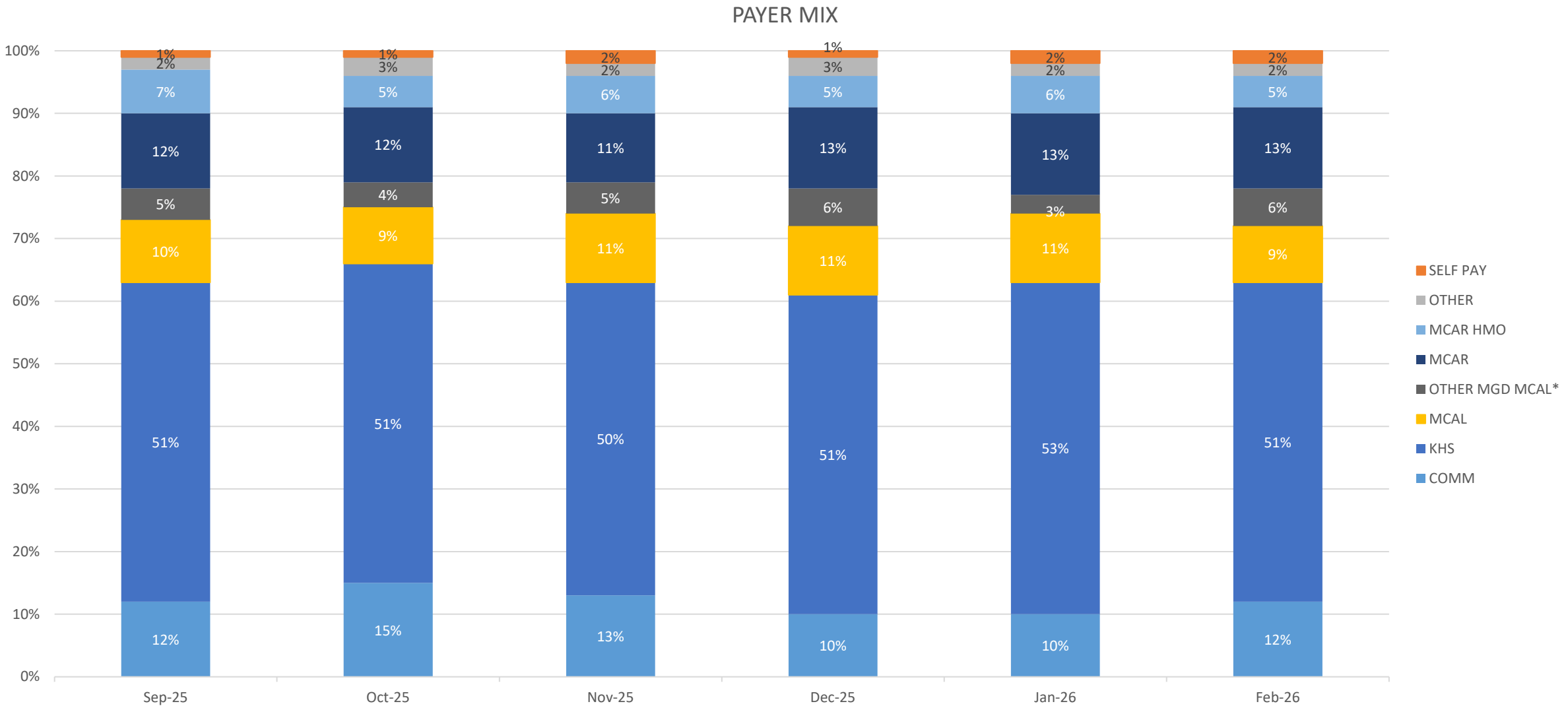

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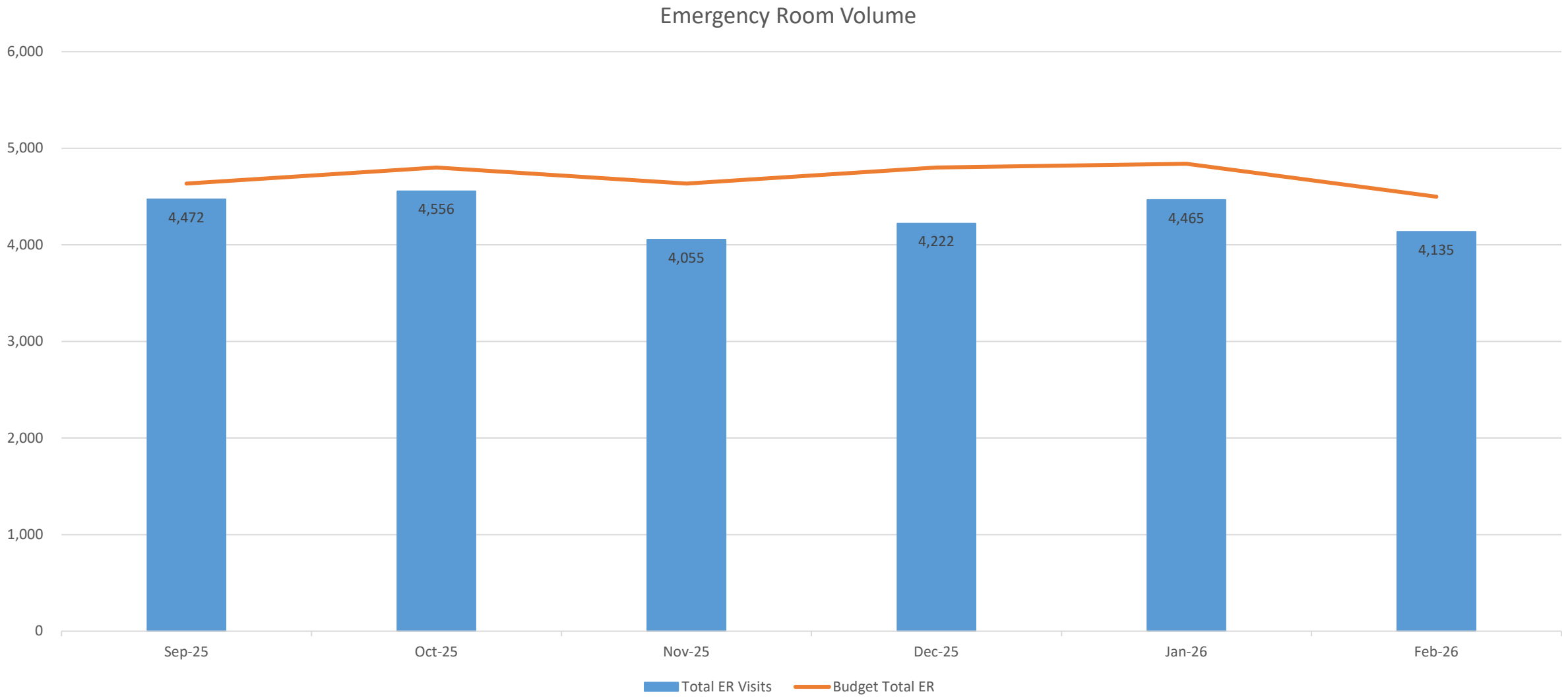

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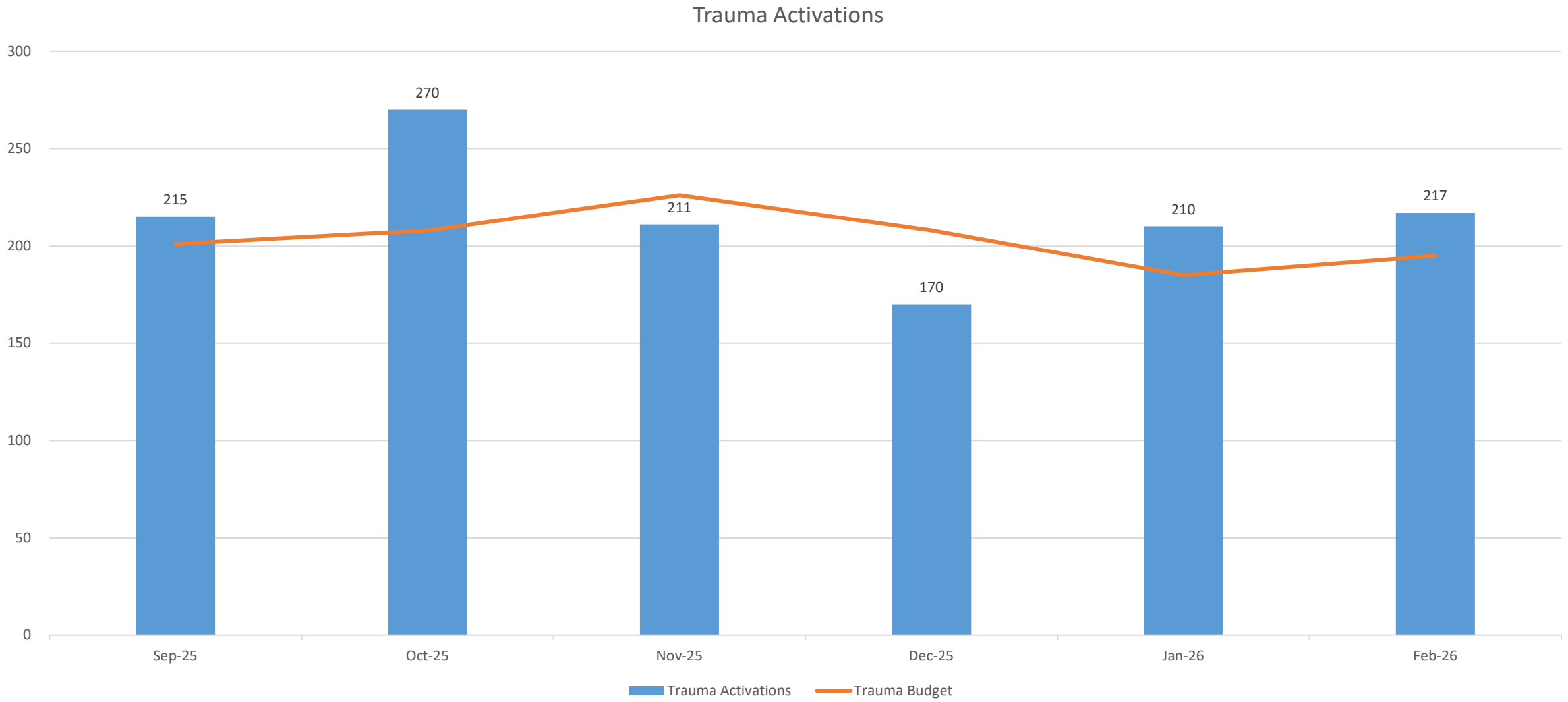

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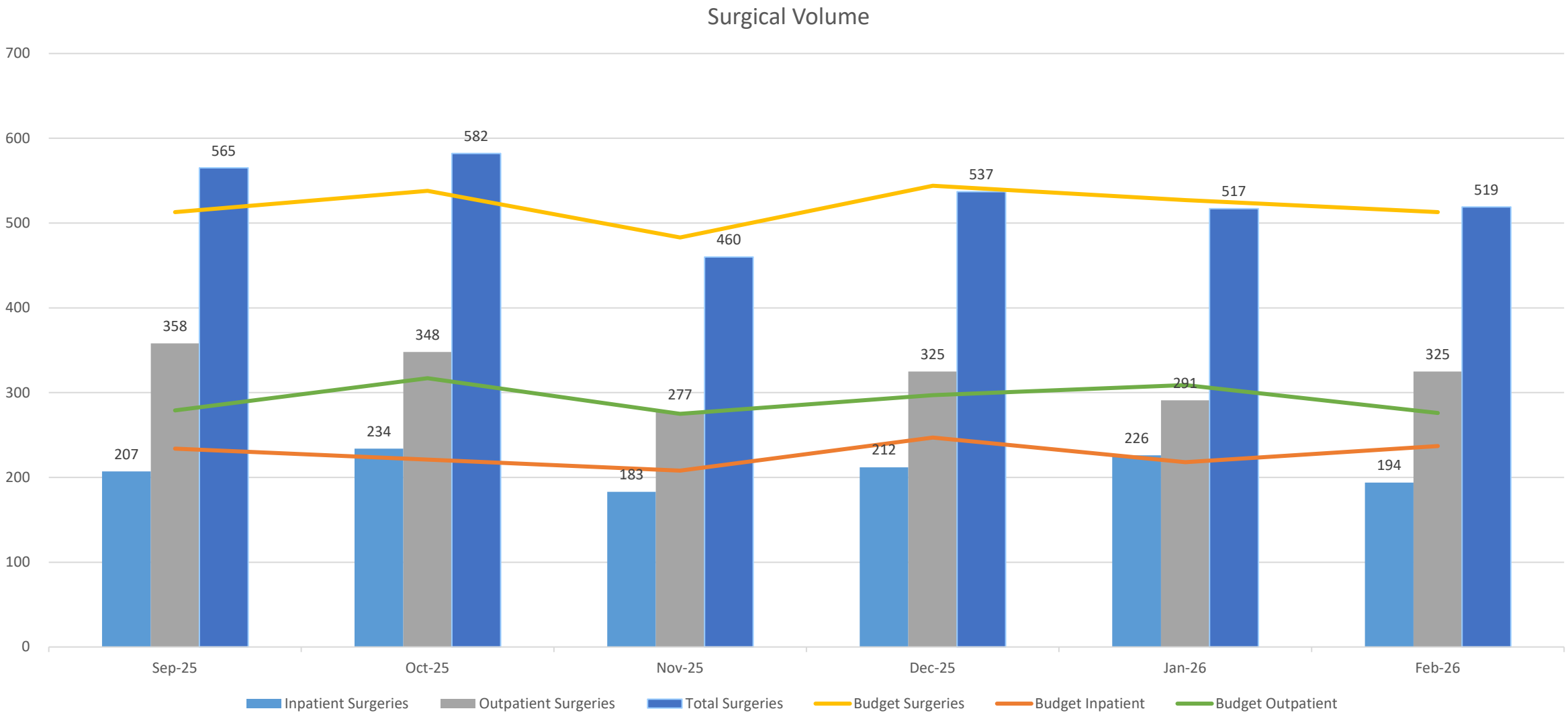

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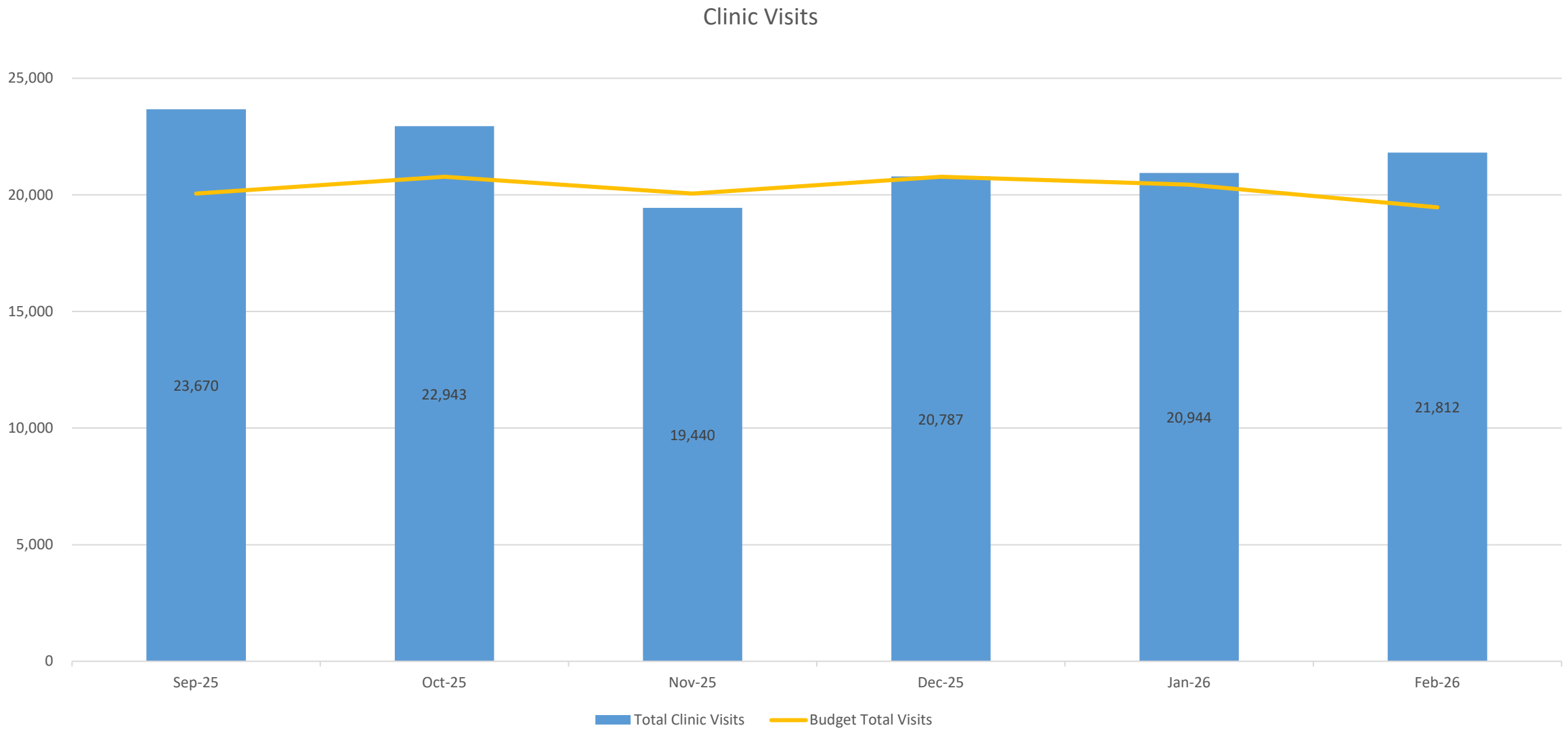

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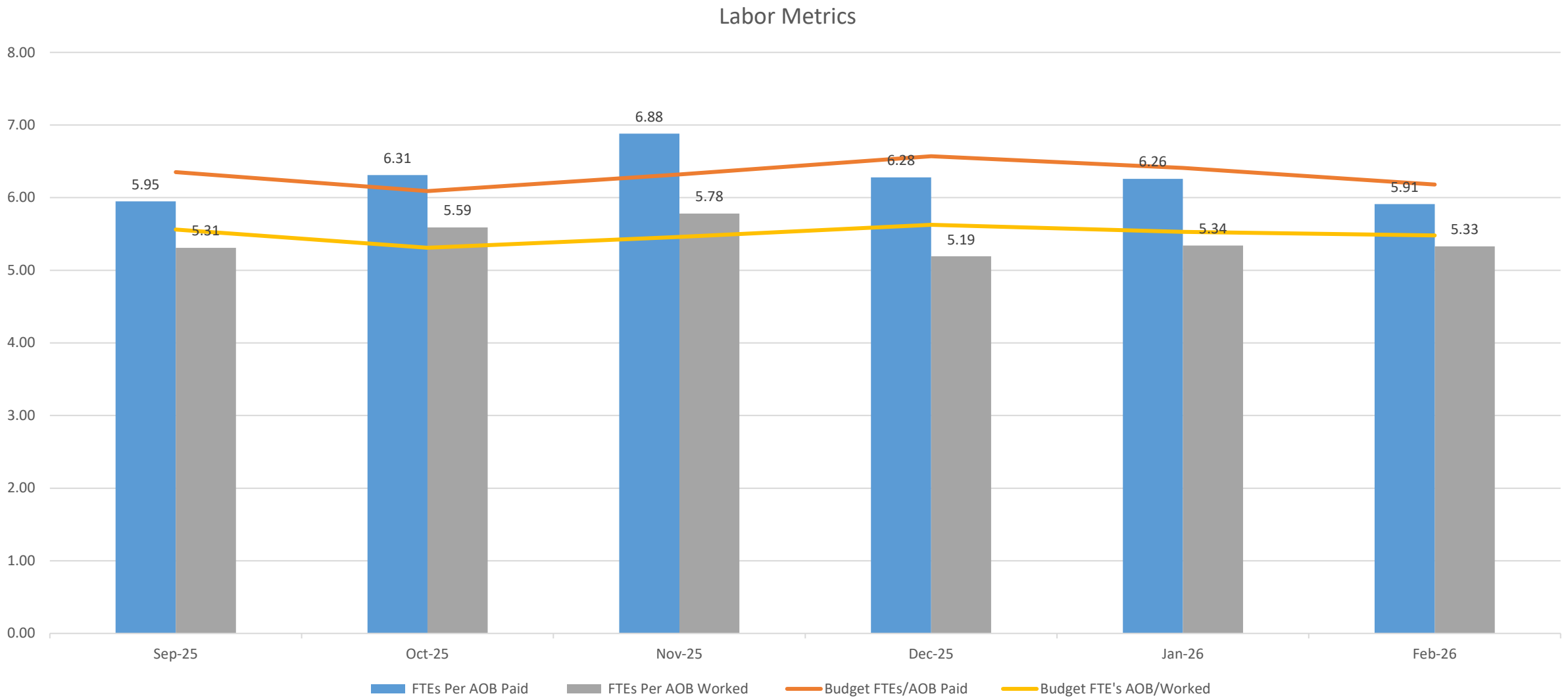

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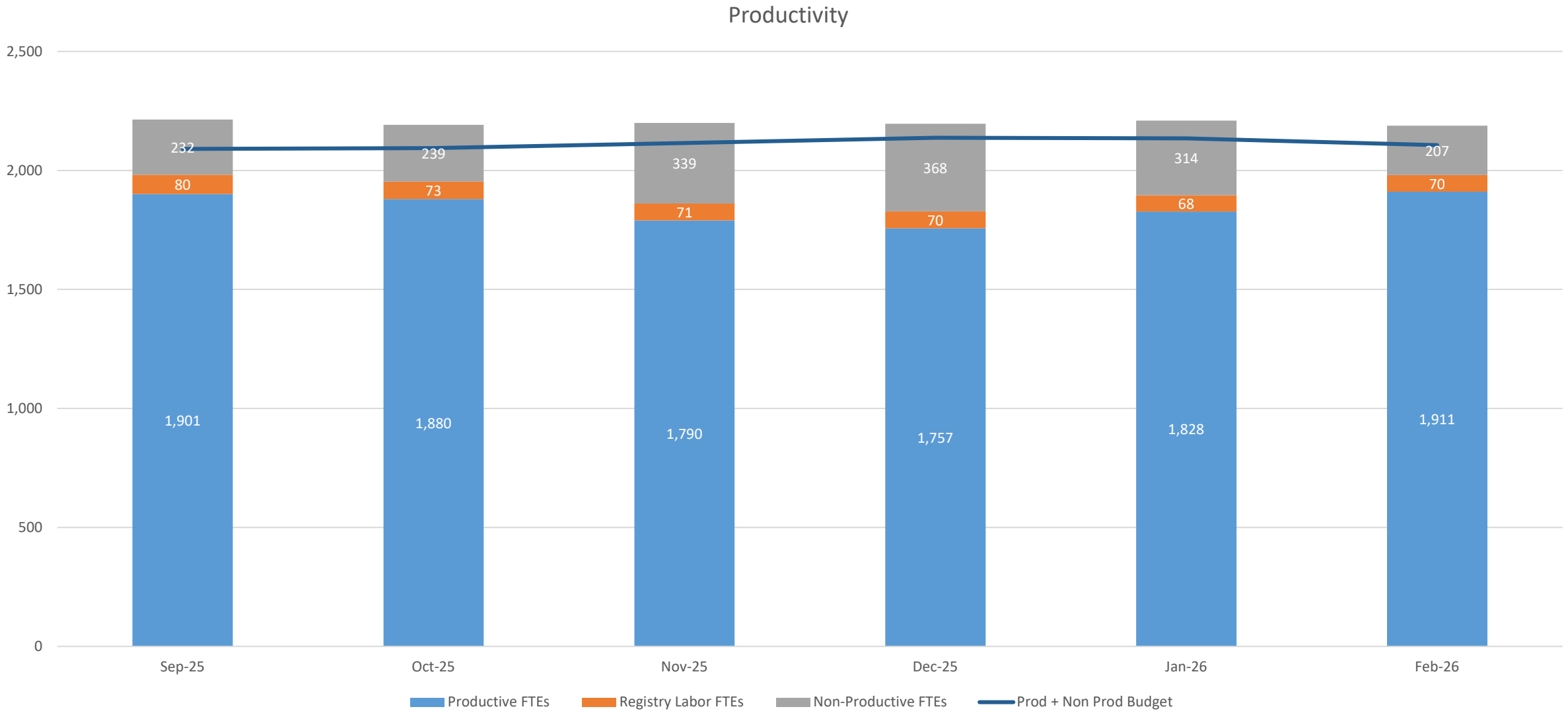

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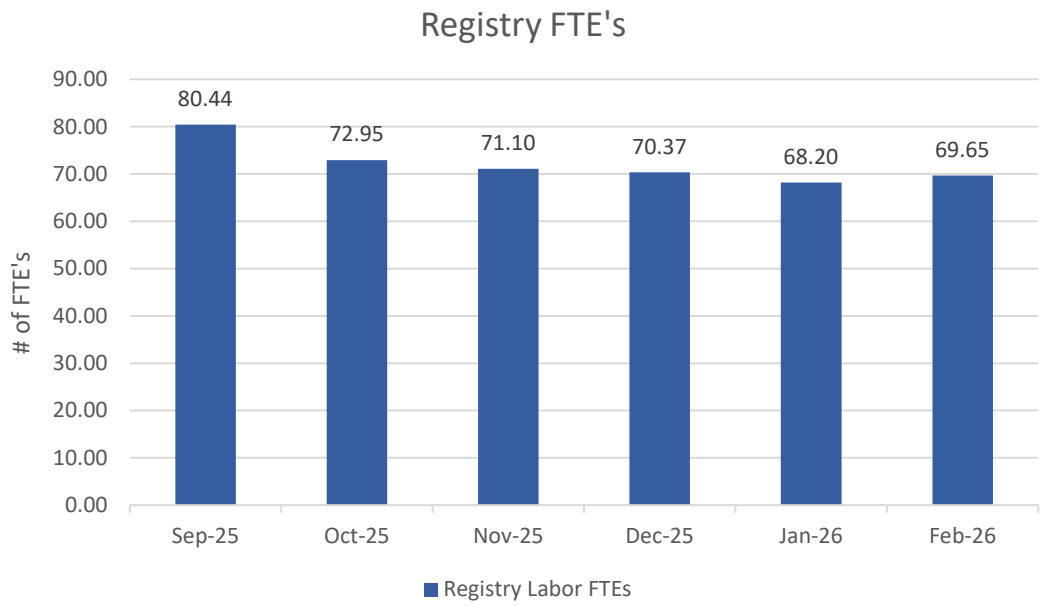

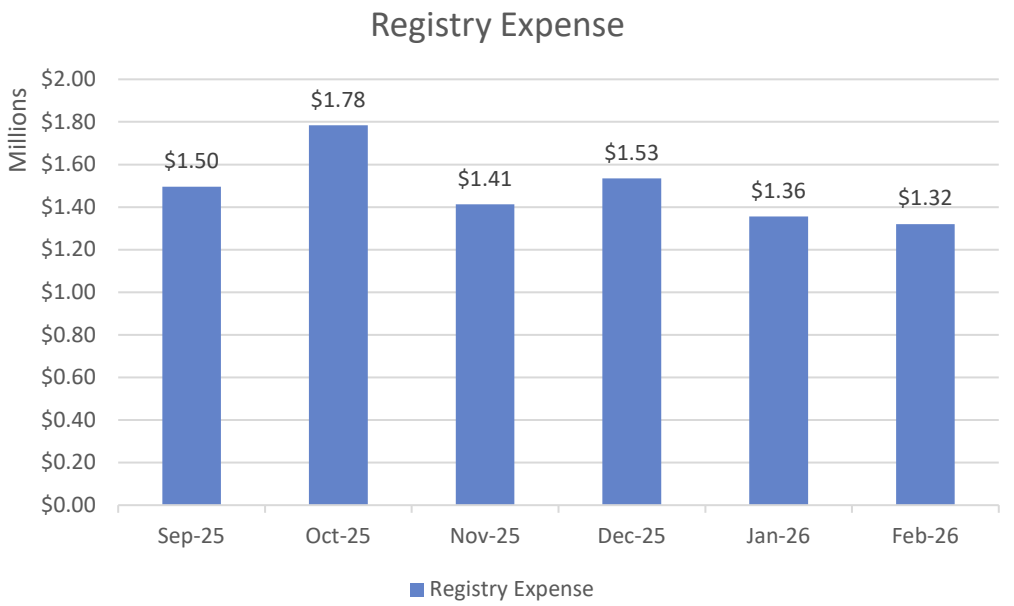

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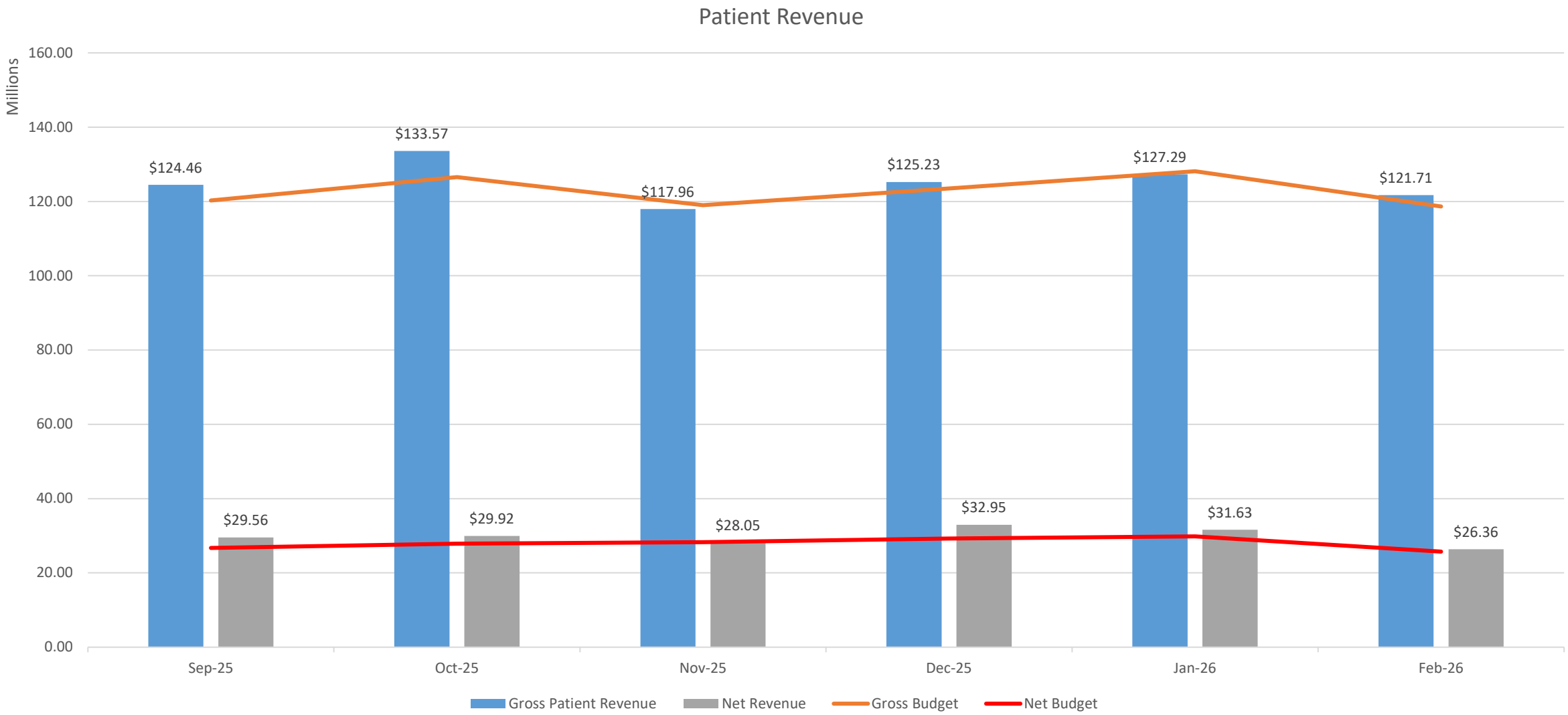

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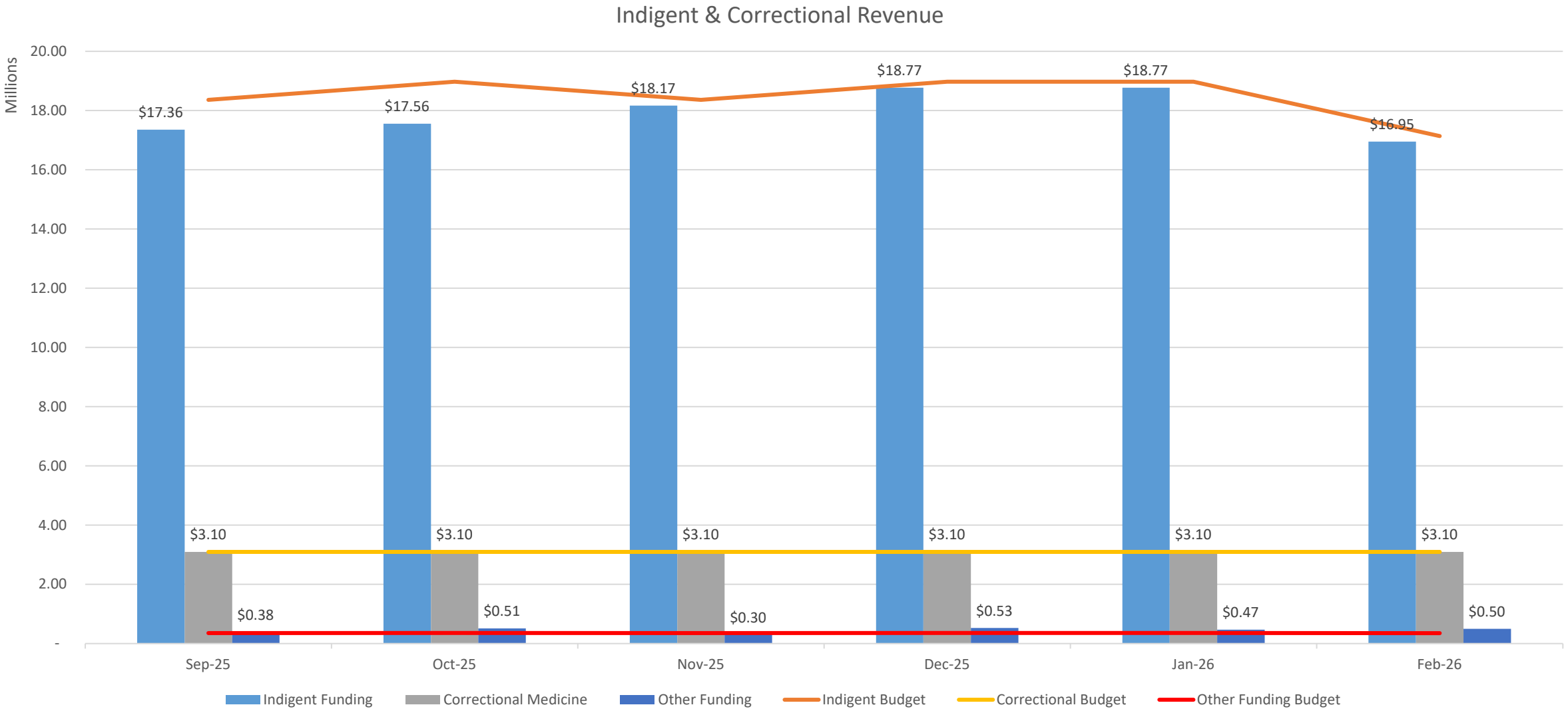

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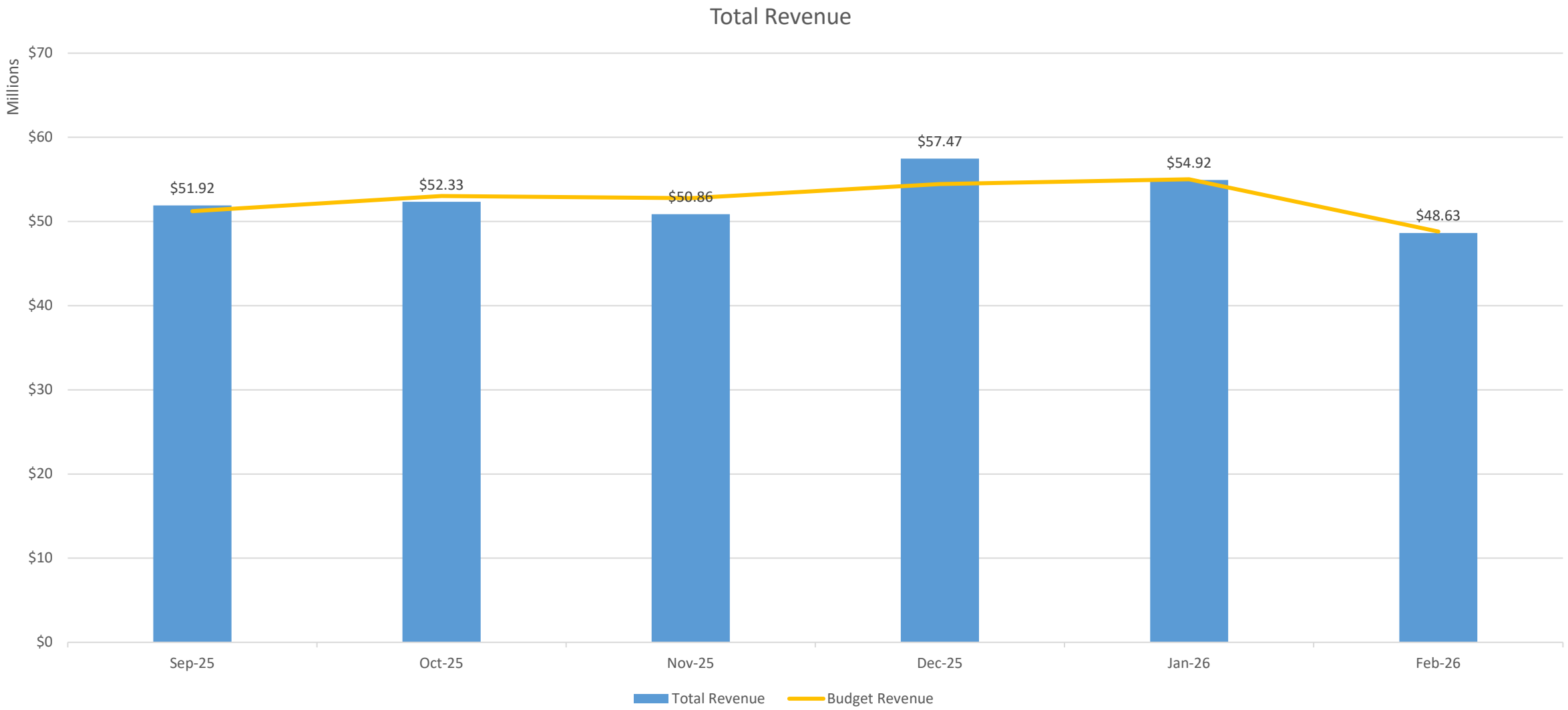

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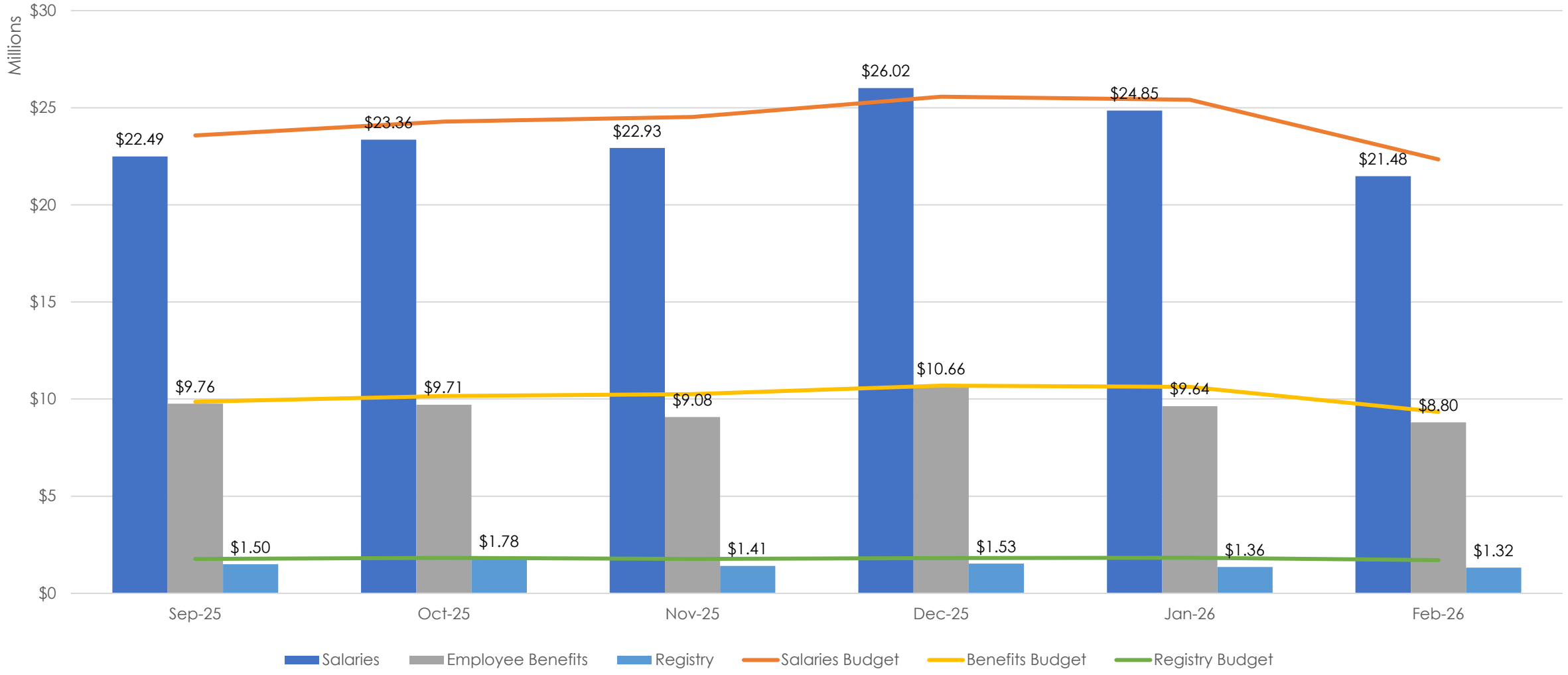
Expenses



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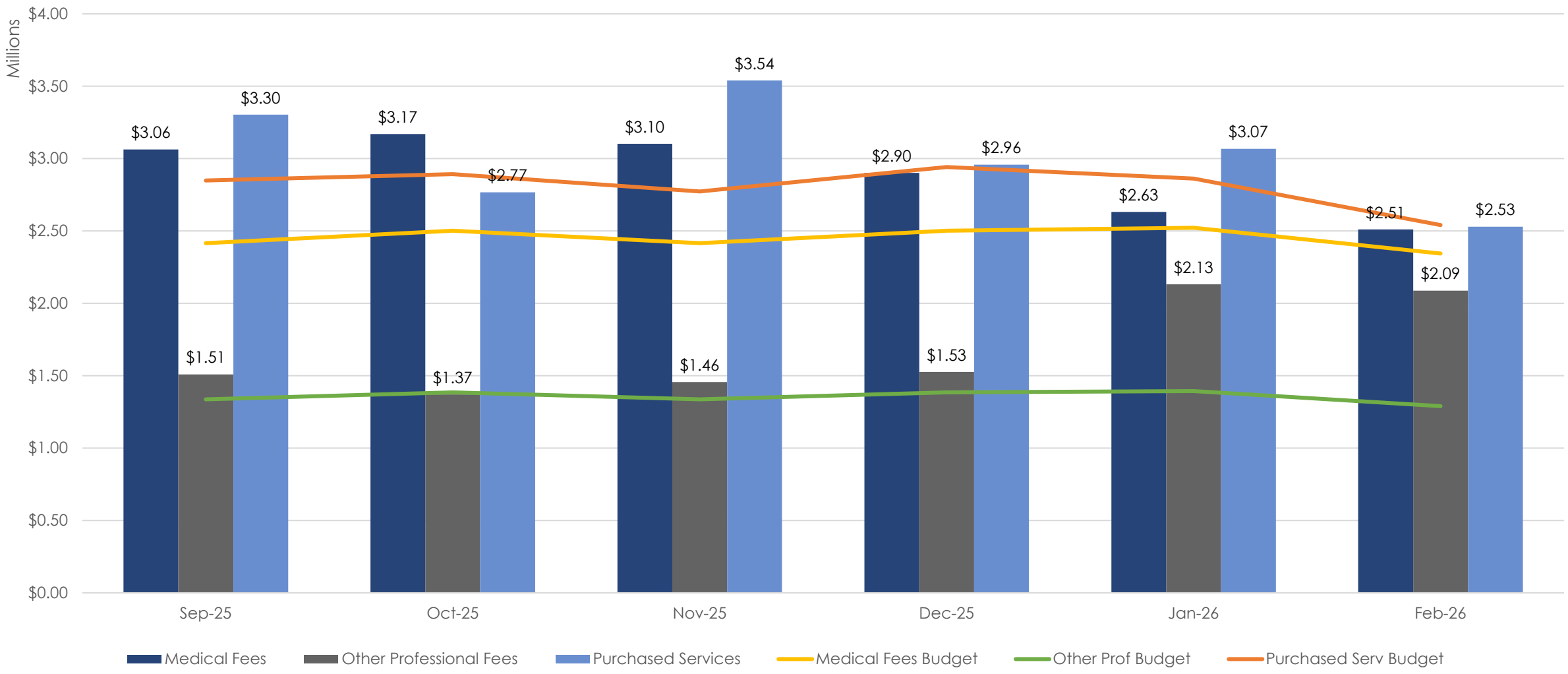
Expenses



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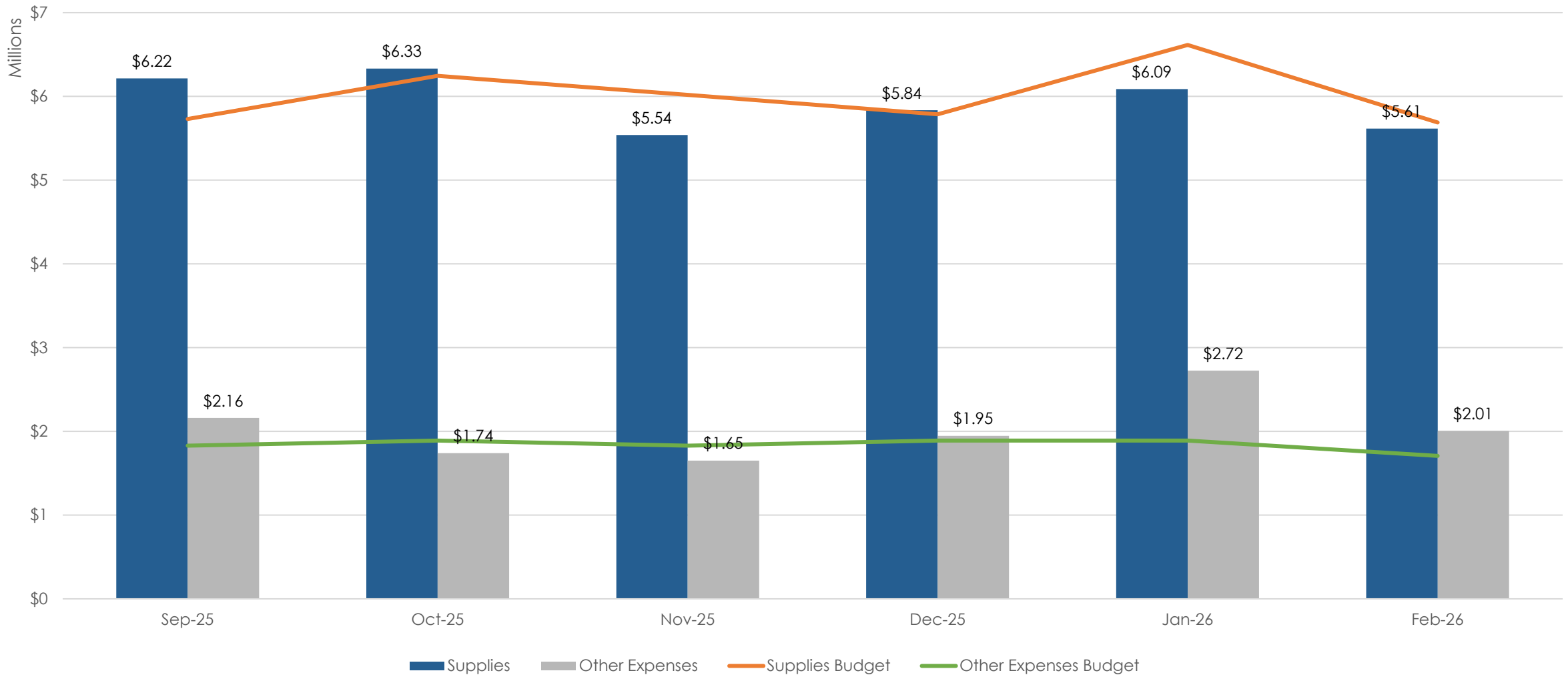
Expenses



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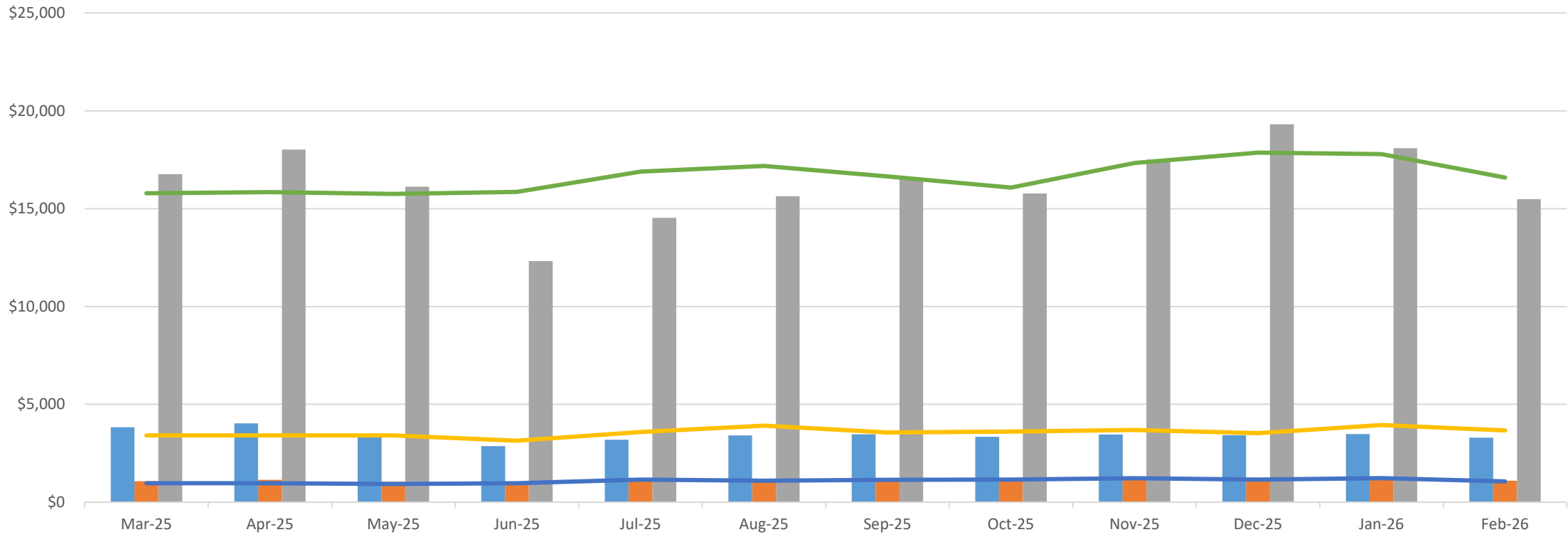
Operating Metrics



	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26
Supply Expense per AA	$3,835	$4,028	$3,426	$2,868	$3,191	$3,412	$3,471	$3,338	$3,458	$3,421	$3,482	$3,298
Pharm Cost per AA	$1,070	$1,142	$1,051	$883	$1,192	$1,199	$1,118	$1,140	$1,194	$1,094	$1,211	$1,093
Net Revenue Per AA	$16,764	$18,019	$16,125	$12,325	$14,532	$15,633	$16,506	$15,778	$17,508	$19,312	$18,085	$15,482
Budget Supp/AA	$3,410	$3,413	$3,408	$3,143	$3,583	$3,909	$3,567	$3,604	$3,686	$3,532	$3,943	$3,669
Budget Pharm/AA	$965	$965	$930	$965	$1,160	$1,098	$1,142	$1,162	$1,228	$1,162	$1,230	$1,065
Budget Net Rev/AA	$15,781	$15,841	$15,753	$15,862	$16,892	$17,181	$16,643	$16,073	$17,329	$17,863	$17,783	$16,593

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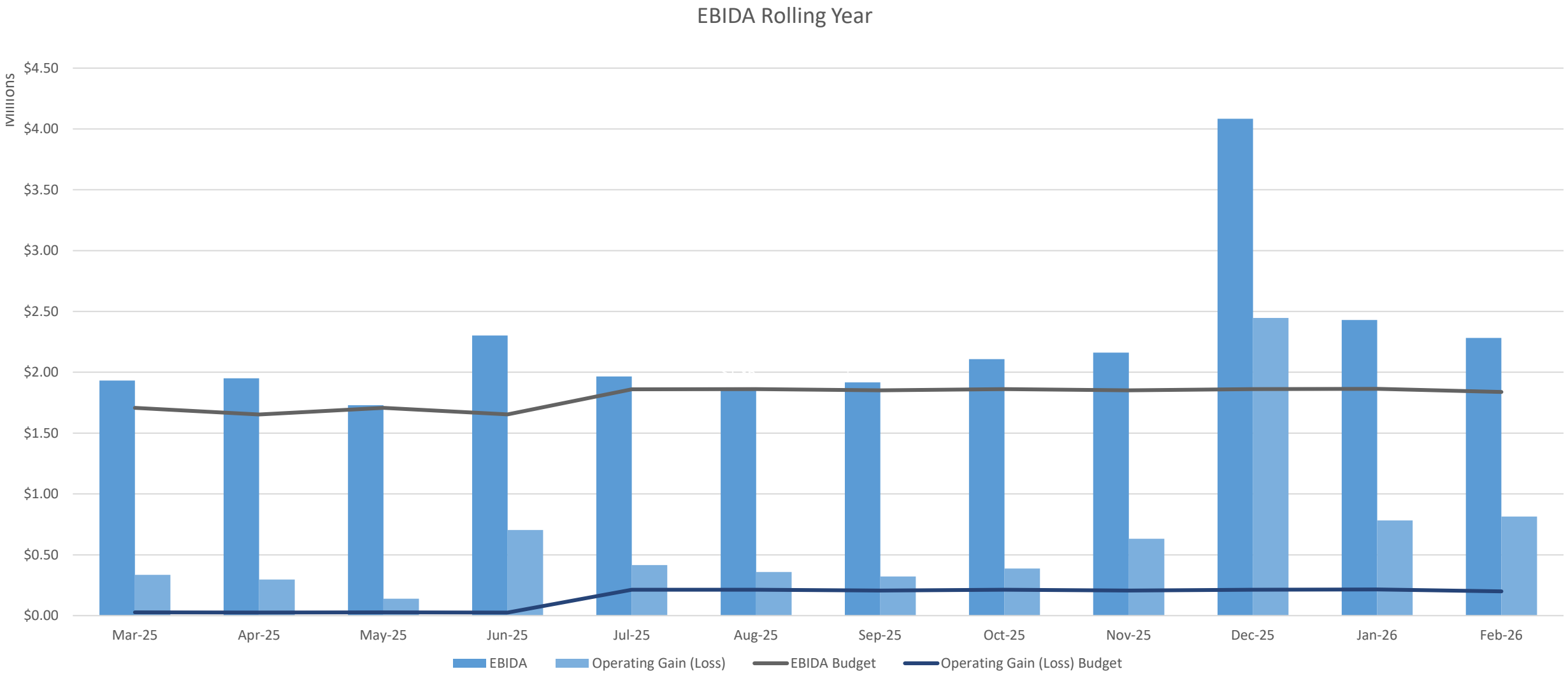

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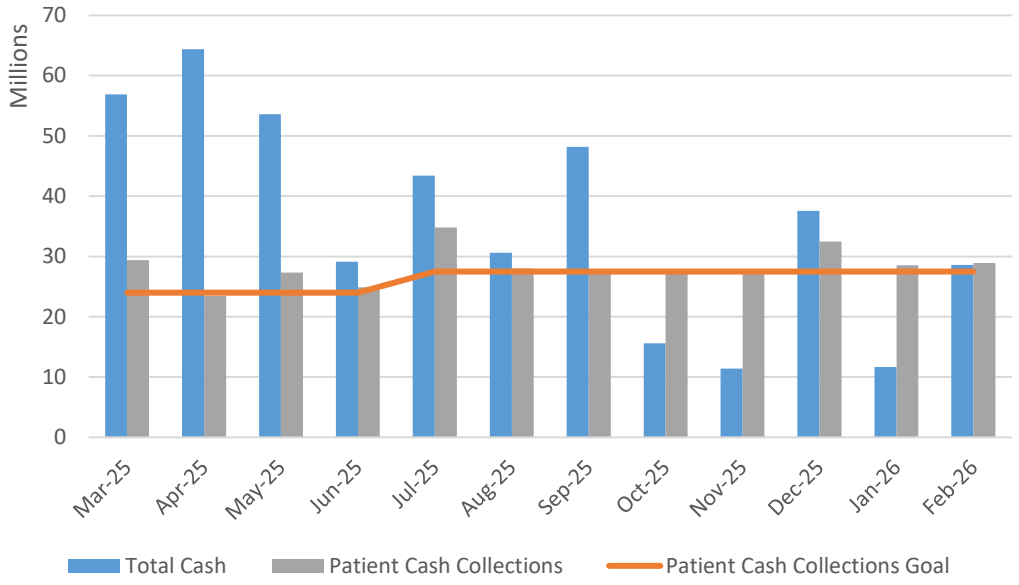
Cash Rolling Year



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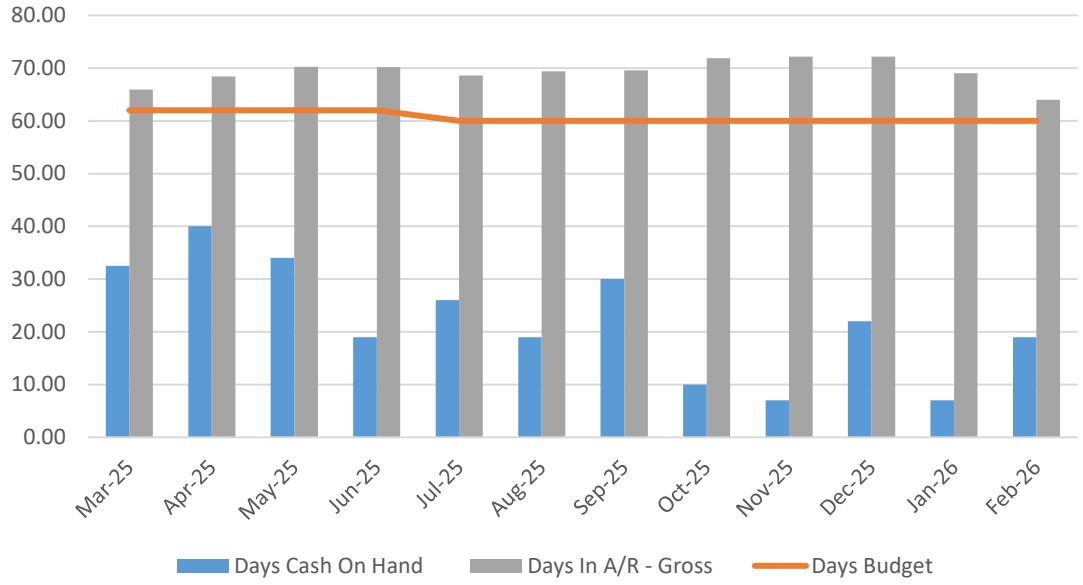

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KERN MEDICAL
3-Month Trend Analysis: Revenues & Expenses
February 28, 2026

	DECEMBER	JANUARY	FEBRUARY	BUDGET FEBRUARY	VARIANCE POS (NEG)	PY FEBRUARY
Gross Patient Revenue	$ 125,231,020	$ 127,287,097	$ 121,705,651	$ 118,641,378	2.6%	$ 112,256,882
Contractual Deductions	(92,284,622)	(95,661,587)	(95,345,216)	(92,914,379)	3%	(70,773,512)
Net Revenue	32,946,398	31,625,509	26,360,436	25,726,999	2%	41,483,370
Indigent Funding	18,770,930	18,770,930	16,954,388	17,137,677	(1%)	21,595,341
Correctional Medicine	3,097,714	3,097,714	3,097,713	3,095,522	0.1%	3,097,714
County Contribution	285,211	285,211	285,211	285,211	(0%)	469,110
Incentive Funding	241,992	183,817	212,224	65,373	225%	96,574
Net Patient Revenue	55,342,244	53,963,180	46,909,971	46,310,782	1%	66,742,109
Other Operating Revenue	2,106,511	938,832	1,716,341	2,480,477	(31%)	3,863,343
Other Non-Operating Revenue	18,697	15,486	6,802	11,384	(40%)	11,876
Total Revenues	57,467,452	54,917,498	48,633,113	48,802,642	(0.3%)	70,617,328
Expenses						
Salaries	26,017,998	24,850,652	21,479,147	22,341,670	(4%)	21,211,902
Employee Benefits	10,662,408	9,638,359	8,802,854	9,343,286	(6%)	(3,624,086)
Registry	1,533,990	1,355,982	1,320,370	1,709,095	(23%)	1,581,610
Medical Fees	2,901,740	2,631,537	2,510,508	2,344,223	7%	2,615,078
Other Professional Fees	1,526,005	2,131,463	2,087,480	1,289,816	62%	1,398,802
Supplies	5,835,699	6,088,466	5,614,647	5,688,839	(1%)	4,773,906
Purchased Services	2,958,214	3,066,890	2,529,985	2,541,001	(0%)	2,481,956
Other Expenses	1,947,493	2,724,575	2,005,768	1,707,178	17%	8,233,564
Operating Expenses	53,383,547	52,487,925	46,350,760	46,965,108	(1%)	38,672,732
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	$ 4,083,906	$ 2,429,573	$ 2,282,353	$ 1,837,535	24.2%	$ 31,944,596
EBIDA Margin	7%	4%	5%	4%	25%	45%
Interest	298,365	300,878	295,068	328,195	(10%)	335,002
Depreciation	692,675	696,790	532,429	657,304	(19%)	670,818
Amortization	646,748	648,952	640,357	652,001	(2%)	585,896
Total Expenses	55,021,335	54,134,545	47,818,614	48,602,608	(2%)	40,264,448
Operating Gain (Loss)	$ 2,446,117	$ 782,953	$ 814,499	$ 200,035	307%	$ 30,352,880
Operating Margin	4.26%	1.43%	1.67%	0.41%	308.6%	43.0%

KERN MEDICAL
Year-to-Date Analysis: Revenues & Expenses
February 28, 2026

	ACTUAL FYTD	BUDGET FYTD	VARIANCE POS (NEG)	PY FYTD	PY VARIANCE POS (NEG)
Gross Patient Revenue	$ 1,004,609,098	$ 981,032,679	2%	$ 926,771,620	8%
Contractual Deductions	(770,038,845)	(756,623,072)	2%	(709,959,259)	8%
Net Revenue	234,570,254	224,409,607	5%	216,812,361	8%
Indigent Funding	145,116,184	148,730,550	(2%)	151,668,854	(4%)
Correctional Medicine	24,781,707	24,764,178	0%	24,781,709	(0%)
County Contribution	2,281,687	2,281,687	(0%)	2,754,924	(17%)
Incentive Funding	1,187,152	567,347	109%	665,782	78%
Net Patient Revenue	407,936,984	400,753,370	2%	396,683,630	3%
Other Operating Revenue	12,686,884	21,526,994	(41%)	25,123,743	(49.50%)
Other Non-Operating Revenue	159,237	95,587	67%	98,658	61%
Total Revenues	420,783,106	422,375,951	(0%)	421,906,032	(0%)
Expenses					
Salaries	188,605,713	195,006,521	(3%)	179,474,946	5%
Employee Benefits	77,077,713	81,551,727	(5%)	62,164,044	24%
Registry	12,188,041	14,375,191	(15%)	15,258,201	(20%)
Medical Fees	23,298,867	19,683,239	18%	19,544,135	19%
Other Professional Fees	12,803,596	10,886,224	18%	11,276,005	13.5%
Supplies	47,909,113	48,547,887	(1%)	44,147,400	9%
Purchased Services	23,819,900	22,658,811	5%	22,970,488	4%
Other Expenses	16,140,179	14,815,865	9%	21,308,945	(24%)
Operating Expenses	401,843,122	407,525,465	(1%)	376,144,165	7%
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	$ 18,939,984	$ 14,850,486	28%	$ 45,761,867	(58.6%)
EBIDA Margin	5%	4%	28%	11%	(59%)
Interest	2,240,790	2,697,273	(17%)	2,862,519	(22%)
Depreciation	5,371,301	5,258,428	2%	5,409,400	(1%)
Amortization	5,040,428	5,216,012	(3%)	4,895,960	3%
Total Expenses	414,495,641	420,697,177	(1%)	389,312,045	6%
Operating Gain (Loss)	$ 6,287,465	$ 1,678,773	275%	$ 32,593,987	(81%)
Operating Margin	1.5%	0.4%	275.9%	7.7%	(81%)

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KERN MEDICAL
BALANCE SHEET

	FEBRUARY 2026	FEBRUARY 2025
ASSETS:		
Total Cash	**$ 28,605,867**	**$ 24,162,892**
Patient Receivables Subtotal	252,512,409	276,472,653
Contractual Subtotal	(197,334,213)	(236,281,788)
Net Patient Receivable	**55,178,196**	**40,190,865**
Total Indigent Receivable	275,935,495	273,448,811
Total Other Receivable	21,049,293	13,966,826
Total Prepaid Expenses	6,743,466	5,658,036
Total Inventory	5,998,509	4,784,791
Total Current Assets	**393,510,826**	**362,212,220**
Deferred Outflows of Resources	113,460,412	124,532,718
Total Land, Equipment, Buildings and Intangibles	278,233,589	270,274,566
Total Construction in Progress	19,688,855	13,103,672
Total Property, Plant & Equipment	**297,922,444**	**283,378,238**
Total Accumulated Depr & Amortization	(190,784,884)	(178,293,722)
Net Property, Plant, and Equipment	**107,137,560**	**105,084,516**
Total Long Term Assets	**113,460,412**	**124,532,718**
Total Assets	**$ 614,108,798**	**$ 591,829,453**

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KERN MEDICAL
BALANCE SHEET

	FEBRUARY 2026	FEBRUARY 2025
LIABILITIES & EQUITY:		
Total Accounts Payable	$ 5,786,233	$ 6,709,861
Total Accrued Compensation	38,429,785	33,395,373
Total Due Government Agencies	3,886,174	5,436,281
Total Other Accrued Liabilities	49,900,979	45,931,052
Total Current Liabilities	**98,003,172**	**91,472,566**
Unfunded Pension Liability	331,776,526	344,447,058
Other Long-Term Liabilities	71,425,183	81,032,204
Total Long-Term Liabilities	**403,201,709**	**425,479,262**
Total Liabilities	**501,204,881**	**516,951,828**
Total Net Position	**112,903,916**	**74,877,625**
Total Liabilities and Net Position	$ **614,108,798**	$ **591,829,453**

KERN MEDICAL
STATEMENT OF CASH FLOWS

	Fiscal Year-to-Date February 2026	Fiscal Year-End June 2025	Fiscal Year-to-Date February 2025	Fiscal Year-End June 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for patient/current services	$ 237,368,282	$ 318,273,169	$ 209,747,697	$ 292,533,084
Cash received for other operations	154,765,401	262,872,978	139,408,227	233,602,712
Cash paid for salaries and benefits	(255,957,736)	(382,309,780)	(246,133,565)	(339,411,493)
Cash paid for services and supplies	(139,420,610)	(198,862,050)	(131,143,630)	(186,981,598)
Net cash (used in) provided by operating activities	(3,244,663)	(25,683)	(28,121,270)	(257,296)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash (provided to) received from various County funds	-	381,436	-	-
Interest paid - pension obligation bond	-	(2,539,472)	-	420,331
Principal paid - pension obligation bond	-	(1,062,281)	-	(1,062,281)
Interest paid - line of credit	-	(783,152)	-	-
Line of credit payment	10,000,000	-	10,000,000	-
Net cash provided by (used in) noncapital financing activities	10,000,000	(4,003,469)	10,000,000	(641,950)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition or construction of capital assets	(8,580,195)	(13,228,131)	(5,544,860)	(18,896,864)
Payments on right-of-usage lease liability	2,211,950	(3,802,269)	(1,961,709)	3,896,089
Interest paid - right-of-usage lease liability	449	-	(5,675)	31,211
Payments on SBITA liability	(522,232)	(817,100)	(505,554)	(752,150)
Interest paid - SBITA	(371)	-	(397)	2,013
Net cash used by capital and related financing activities	(6,890,399)	(17,847,500)	(8,018,195)	(15,719,700)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on bank deposits and investments	-	185,478	-	-
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(135,062)	(21,691,174)	(26,139,465)	(16,618,946)
CASH AND CASH EQUIVALENTS, beginning of year	28,740,929	50,432,103	50,302,358	66,921,303
CASH AND CASH EQUIVALENTS, year-to-date	$ 28,605,867	$ 28,740,929	$ 24,162,892	$ 50,302,358

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Kern County Hospital Authority Chief Executive Officer Report

Recommended Action: Receive and File

Summary:

The Chief Executive Officer of the Kern County Hospital Authority will provide your Board with a hospital-wide update.

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

April 15, 2026

Subject: Monthly report on What's Happening at Kern Medical Center

Recommended Action: Receive and File

Summary:

Each month Kern Medical will be sharing a report with your Board on "What's Happening" in and around Kern Medical.

Therefore, it is recommended that your Board receive and file the attached report on What's Happening at Kern Medical.

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What's Happening?

Valley Fever Walk 2026

Patient Safety Awareness Week

KernMedical
Spin Again
Toy
Candy
Spin Again
Toy
Candy
Spin Again
Toy
Candy

Trauma Center Verification Survey

Kern Medical's Trauma Center received a full 3-year verification certification with zero deficiencies from the American College of Surgeons.

Helping CSUB Students Get Ready for Medical School

Kern Medical and California State University, Bakersfield (CSUB) are again hosting a collaborative event aimed at students interested in pursuing medical school and learning about the different research opportunities at Kern Medical.

FQHC Accreditation Site Survey

Kern Medical successfully underwent its accreditation survey by the Health Resources and Services Administration (HRSA) to certify its primary care clinics as a Federally Qualified Health Center (FQHC).

Incoming Residents/Fellows

This year's incoming class includes trainees across a wide range of specialties. Kern Medical welcomes 7 residents in Emergency Medicine, 12 in Internal Medicine, 4 in Obstetrics and Gynecology, 4 in General Surgery, 7 in Psychiatry, 3 in Clinical Pharmacy, and 6 residents in the institution's newly launched Transitional Year Residency Program.

In addition, Kern Medical welcomes fellows specializing in advanced training, including 1 in Addiction Medicine and 3 in Child and Adolescent Psychiatry.

New Podcast Episode

In the News: Annual Valley Fever Walk

Valley Fever Institute hosts 10th annual walk to raise awareness, funds for research

The Valley Fever Institute at Kern Medical hosted its 10th annual walk, raising funds for research as diagnosed cases have tripled over the last five years.

Valley fever cases have tripled in five years. Kern Medical's annual walk raises funds and awareness for this growing health concern.

10th Annual Valley Fever Walk hopes to raise awareness and support in Kern County

by BakersfieldNow Staff | Wed, February 18, 2026 at 9:13 AM

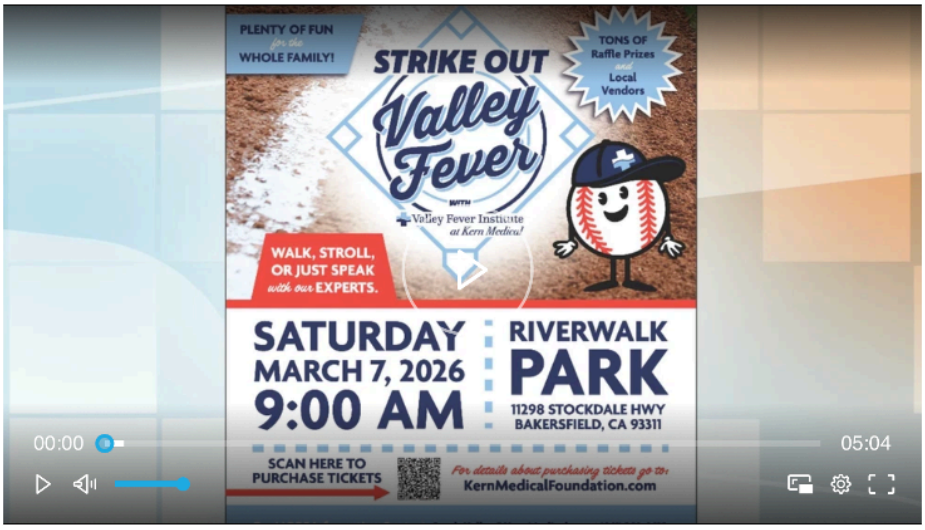


Image provided by Kern Medical Foundation (KBAK/KBFX)

In the News: Dr. Gonzalez inducted into East High School Hall of Fame

Halls of Fame ready to induct new classes

The Bakersfield Californian Mar 6, 2026

10 of 18

Dr. Sarah Gonzalez be inducted into the East Bakersfield High School Hall of Fame on March 14.

Courtesy of Rick Van Horne

National Recognitions - March

- National Nutrition Month
- Colorectal Cancer Awareness Month
- Brain Injury Month
- Social Work Month
- March 3: Birth Defects Day, World Hearing Day
- March 8: International Women's Day
- March 16-22: Brain Awareness Week
- March 21: World Down Syndrome Day
- March 26: Epilepsy Awareness Day

Kern Medical Surgery Center, LLC
9300 Stockdale Hwy., Suite 200
Bakersfield, CA 93311
661-964-2470

BOARD OF MANAGERS
REGULAR MEETING
KERN MEDICAL SURGERY CENTER, LLC

April 15, 2026

Subject: Administrative Report for Two Months Ended February 28, 2026

Recommended Action: Receive and File

Summary:

Kern Medical Surgery Center Operations

Key Performance Indicators:

- January resulted in an operating loss of $76,362; $9,137 unfavorable to plan
- January volume of 202 surgeries; 40 below the January budget of 242
- February resulted in an operating loss of $131,361; $67,832 unfavorable to plan
- Total surgeries were 203 for February; 17 cases below the February budget of 220

The following items have budget variances for the months of January and February 2026:

Patient Revenue:
For January, gross patient revenue was 8.2% unfavorable to budget for the month with the budget at $1,812,313 and the actual gross patient revenue at $1,663,762. January net revenue of $523,411 is $2,160 less than the January budgeted net revenue of $525,571.

For February, gross patient revenue had a 5.9% unfavorable budget variance with actual gross of $1,540,818 compared to the budget of $1,636,928. February net revenue of $396,347 is $78,365 less than the February budgeted amount of $474,712.

On a fiscal year-to-date basis, gross patient revenue of $12,059,050 is 15.1% less than the budgeted amount of $14,206,195.

Supplies Expense:
January supplies of $157,592 were under the budgeted amount of $211,608. February supplies of $177,246 were $13,886 less than the budgeted amount of $191,132.

Salary and Benefit Expense:
Salary expenses for January were $276,801. This was $76,773 over the budgeted amount of $200,028 due to having three pay periods for the month. February salary expenses were $179,561 which was $1,110 less than the budgeted amount of $180,671.

Benefit expenses for January were $42,952, which was $7,055 below the budgeted amount of $50,007. The benefit expenses for February were $28,346, which was $16,822 below the budgeted amount of $45,168.

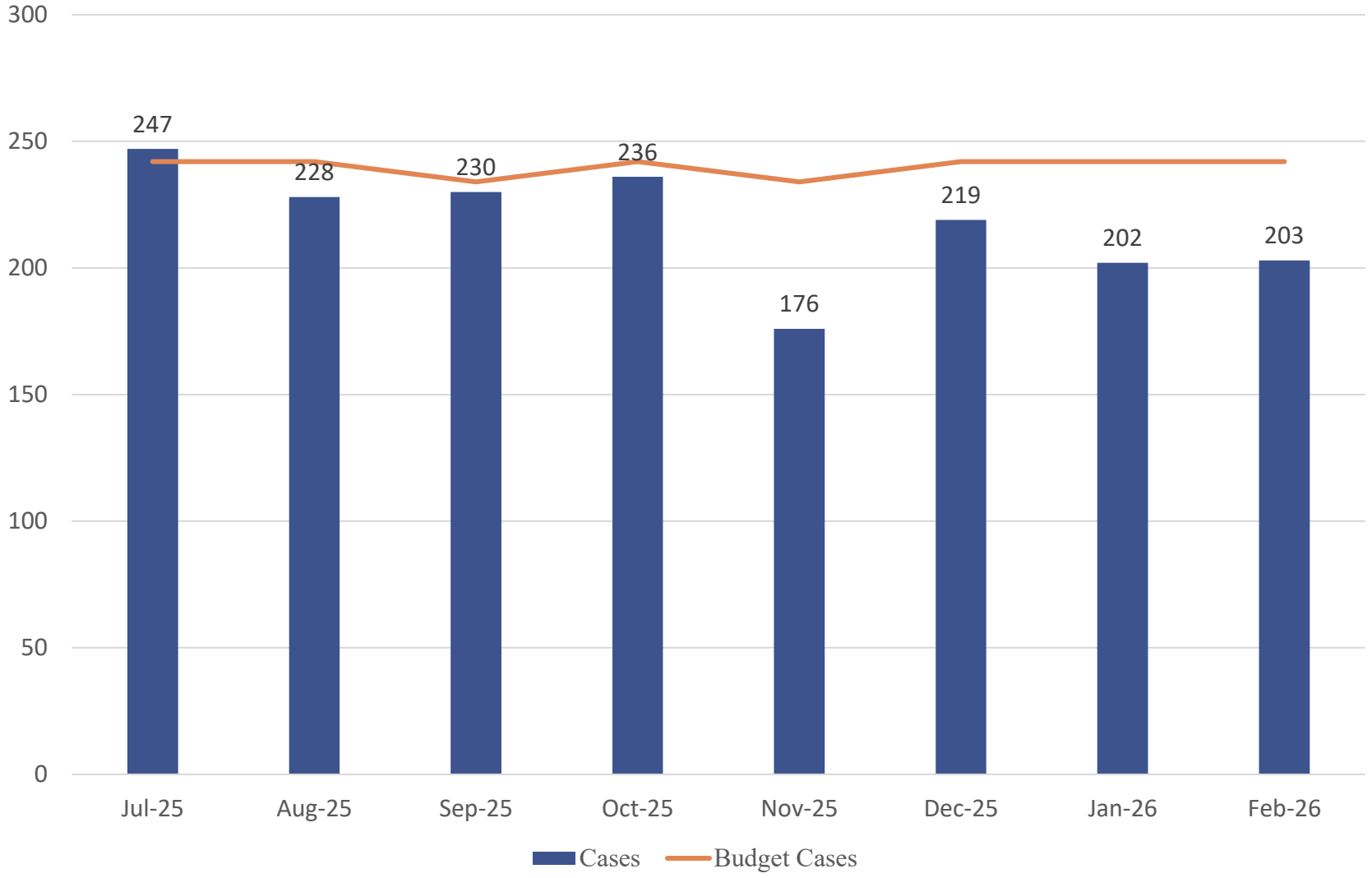
Purchased Services:
January purchased services in the amount of $94,212 were under budgeted amount of $106,669 by $12,457. February purchased services of $114,339 were above budgeted amount of $98,532 by $15,807.

Initiatives for Marketing and Growth:
With the addition of two new Kern Medical surgeons, the ASC anticipates growth in surgical volume, particularly in the areas of plastic and reconstructive surgery and urogynecology.

Kern Medical
Surgery Center

BOARD OF MANAGERS' REPORT
JAN 2026 – FEB 2026

Case Volume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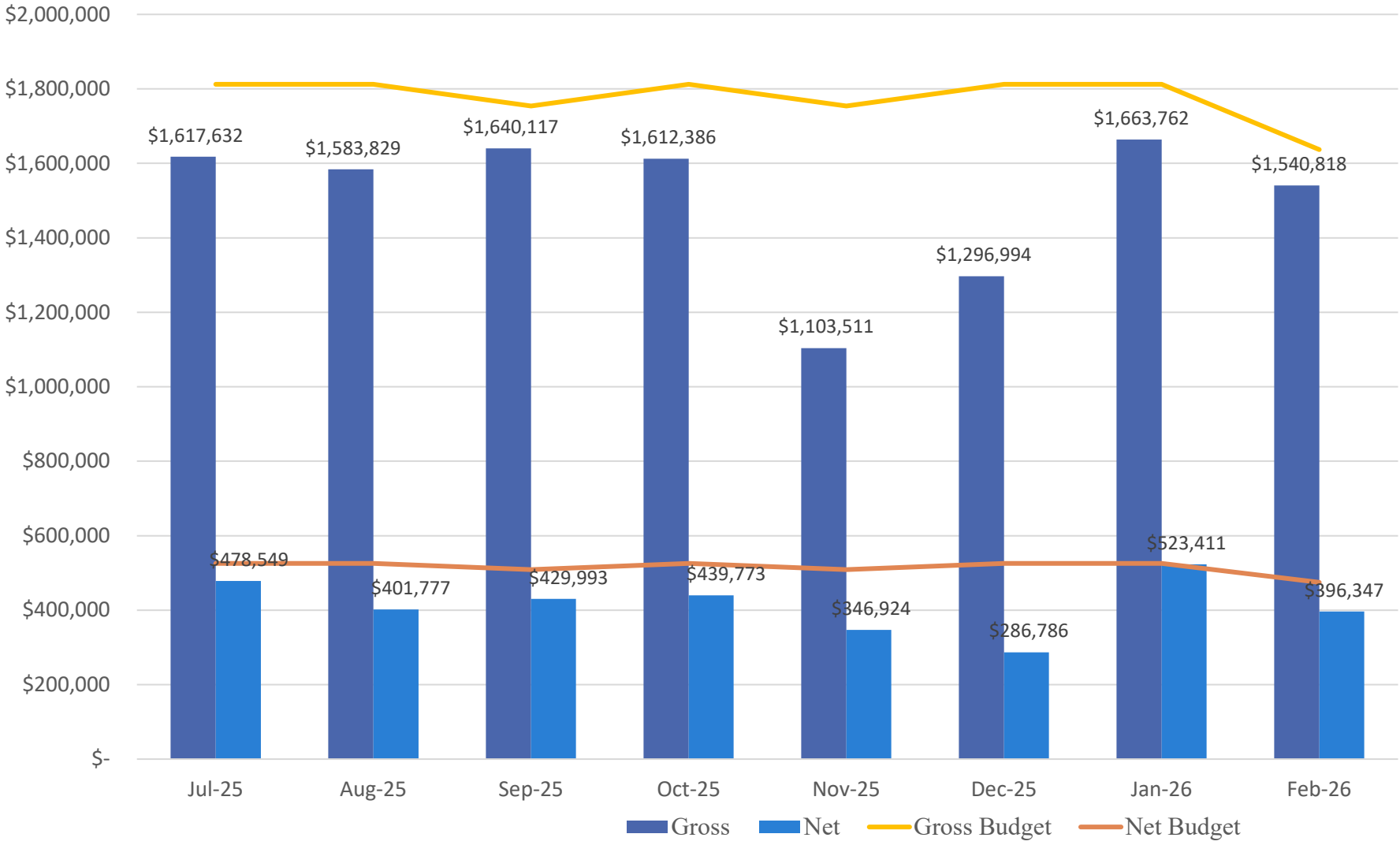
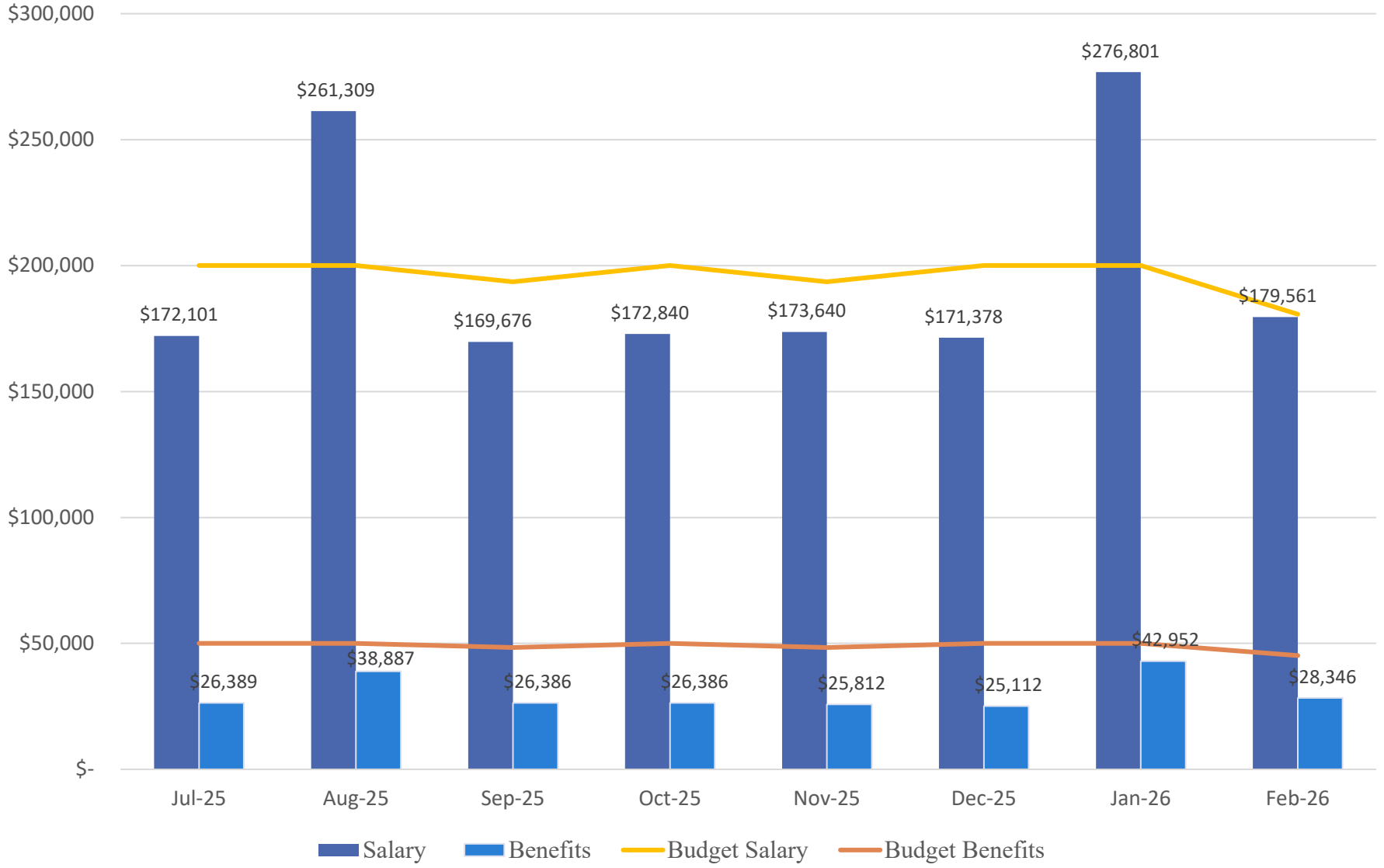
Total Revenue



Expenses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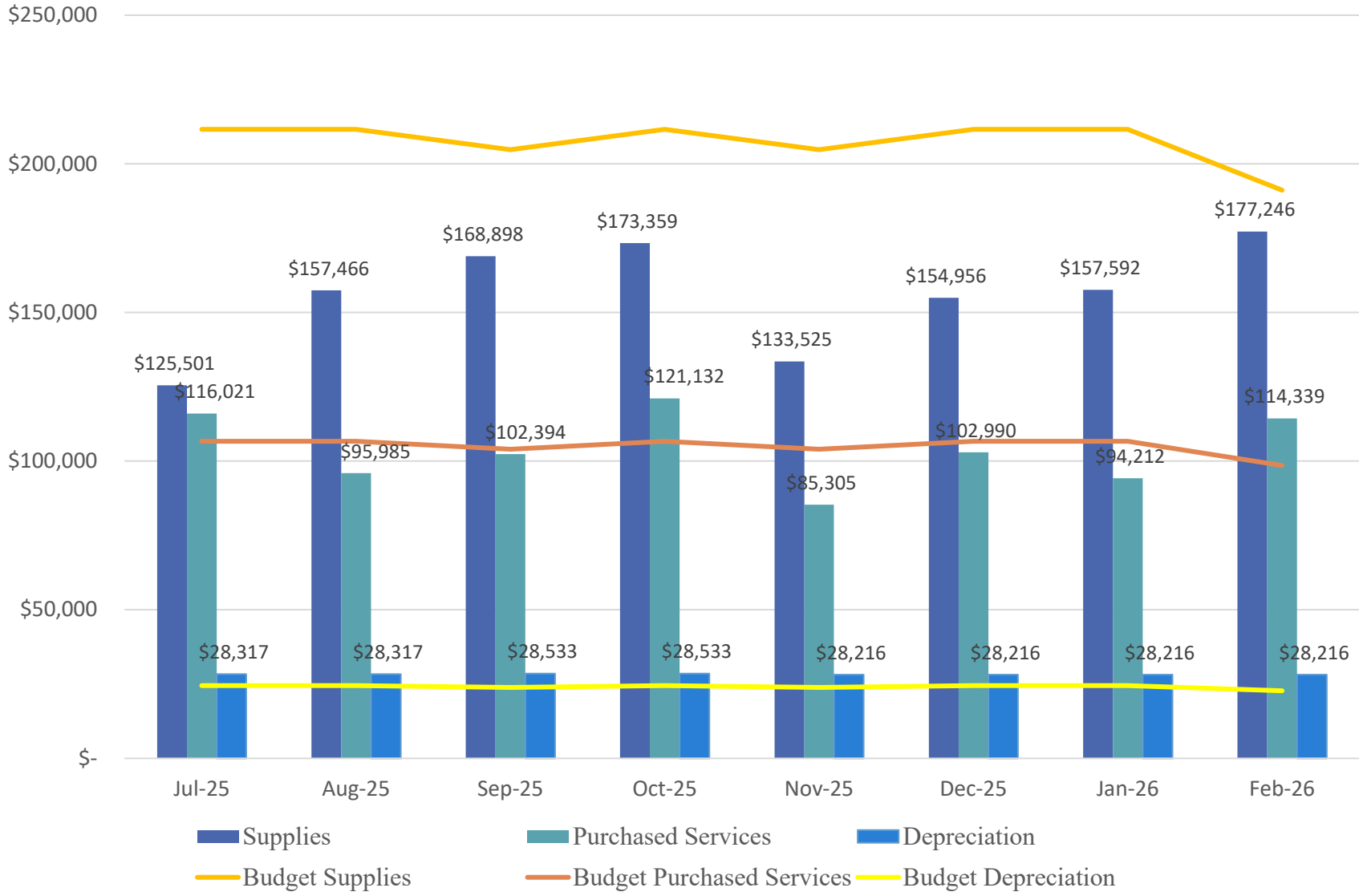
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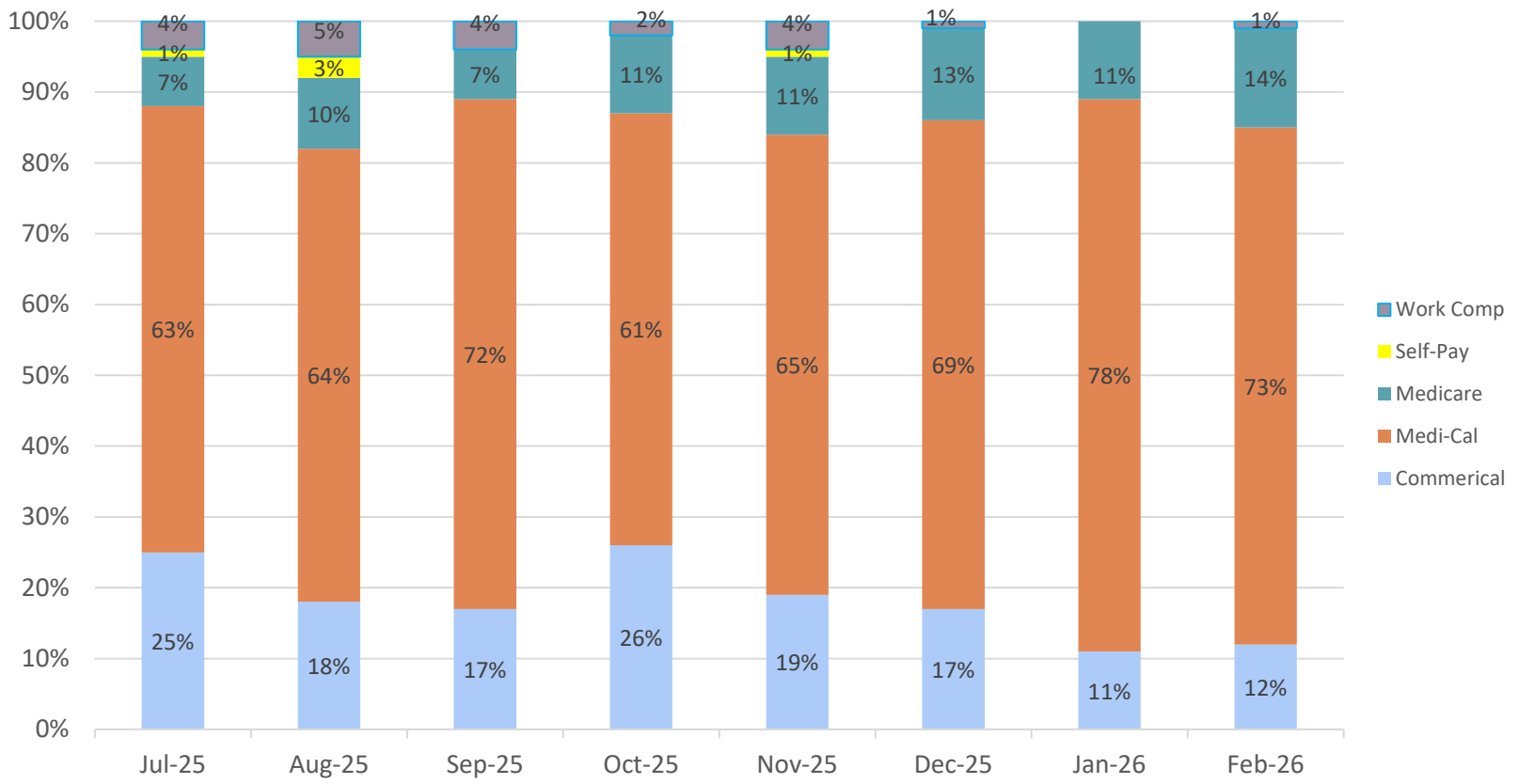
Depreciation
Budget Supplies
Budget Purchased Services
Budget Depreciation

PAYER MIX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Work Comp
Self-Pay
Medicare
Medi-Cal
Commerical

Kern Medical Surgery Center, LLC.
Profit and Loss

	Jan-26	Feb-26	Budget Feb-26	Variance
Gross Revenue	**$ 1,663,762**	**$ 1,540,818**	**$ 1,636,928**	**$ 96,110**
Net Revenue	**523,411**	**396,347**	**474,712**	**(78,365)**
Salaries	276,801	179,561	180,671	**1,110**
Benefits	42,952	28,346	45,168	**16,822**
Supplies	157,592	177,246	191,132	**13,886**
Purchased Services	94,212	114,339	98,532	**(15,807)**
Depreciation	28,216	28,216	22,738	**(5,478)**
Total Expenses	**599,773**	**527,708**	**538,241**	**10,533**
Net Operating Gain (Loss)	**$ (76,362)**	**$ (131,361)**	**$ (63,529)**	**(67,832)**

Kern Medical Surgery Center, LLC.
Profit and Loss
Fiscal Year to Date

	Actual FYTD	Budget FTYD
Gross Revenue	$ 12,059,050	$ 14,206,195
Net Revenue	3,303,559	4,119,801
Salaries	1,577,305	1,567,963
Benefits	240,270	391,991
Supplies	1,248,543	1,658,738
Purchased Services	832,378	839,787
Depreciation	226,564	192,962
Total Expenses	$ 4,125,060	$ 4,651,441
Net Operating Gain (Loss)	$ (821,501)	$ (531,640)

Balance Sheet
As of February 28, 2026

	Jan -26	Feb -26
ASSETS		
Total Cash	$ 210,433	$ 254,427
Gross Patient Receivables	2,089,233	1,838,534
Contractual Reserve	(1,483,356)	(1,305,359)
Net Patient Receivables	605,878	533,175
Other Receivables	-	-
Total Accounts Receivable	506,118	433,142
Total Other Current Assets	2,725	220
Total Current Assets	719,275	688,062
Total Fixed Assets	1,083,832	1,055,615
TOTAL ASSETS	1,803,107	1,743,677
Liabilities and Equity		
Total Accounts Payable	2,349,210	2,430,763
TOTAL LIABILITIES	2,967,421	3,047,146
Total Equity	(1,164,314)	(1,303,469)
TOTAL LIABILITIES AND EQUITY	$ 1,803,107	$ 1,743,677

Kern Medical
Surgery Center

BOARD OF MANAGERS
REGULAR MEETING
KERN MEDICAL SURGERY CENTER, LLC

April 15, 2026

Subject: Proposed credentialing recommendations

Recommended Action: Approve

Summary:

It is recommended that your Board approve the attached credentialing recommendations for Kern Medical Surgery Center, LLC.

CREDENTIALING RECOMMENDATIONS TO BOARD OF MANAGERS

April 15, 2026

Initial Appointments: The following practitioner(s) are recommended for initial appointment and clinical privileges as delineated by the respective department chair:

Christopher R. Krueger, DO, Resident, General Surgery
Alena R. Cave, MD, Resident, Obstetrics and Gynecology
Shelby S. Hamilton, MD, Resident, Obstetrics and Gynecology
Ming L. Kwong, DO, Resident, Obstetrics and Gynecology
Polian Mac, MD, Resident, Obstetrics and Gynecology
Anna J. Shannon, DO, Resident, Obstetrics and Gynecology
Rizal Lim, MD, Plastic & Reconstructive Surgery

APP Initial Appointments:

Molly Gill, CRNA
Deaj P. Quimen, CRNA

Reappointments: The following practitioner(s) are recommended for reappointment and clinical privileges as delineated by the respective department chair:

Charles D. Wong, DO, Hand Surgery
Alexandra W. Elias, MD, Colorectal Surgery
Alfred Coppola, MD, Orthopedic Surgery
Freddie D. McClendon, MD, Anesthesia

APP Reappointments:

Sean M. Sabo, CRNA
Jessica T. Meninga, CRNA

Kern Medical Surgery Center

Kern Medical Surgery Center, LLC
9300 Stockdale Hwy, Suite 200
Bakersfield, CA. 93311
661-964-2470

BOARD OF MANAGERS
REGULAR MEETING
KERN MEDICAL SURGERY CENTER, LLC

April 15, 2026

Subject: Proposed payment of Incentive Compensation in the amount of $25,000 for Calendar Year Ended December 31, 2025

Recommended Action: Approve

The Kern Medical Surgery Center, LLC hired a full-time employed Business Office Manager on April 17, 2023, whose primary responsibility is to conduct billing and collections for the Surgery Center. The Business Office Manager position is an exempt position according to state and federal laws. The current annual compensation for this position consists of a base salary in the amount of $106,732 plus an annual bonus based on the amount of collections for the calendar year. The current bonus compensation structure for the calendar ended December 31, 2025, compensates the Billing Office Manager at $5,000 for every $500,000 collected over $3,000,000 per year up to a maximum payable amount of $45,000. The following table shows the incentive compensation payable based on cash collections:

Annual Collections	Incentive Compensation
$3,000,000.00	5,000.00
$3,500,000.00	10,000.00
$4,000,000.00	15,000.00
$4,500,000.00	20,000.00
$5,000,000.00	25,000.00
$5,500,000.00	30,000.00
$6,000,000.00	35,000.00
$6,500,000.00	40,000.00
$7,000,000.00	45,000.00

The Surgery Center collections totaled $5,334,053.95 for the calendar year ended December 31, 2025. Based on the above schedule the Business Office Manager would receive a bonus of $25,000, less all applicable federal and state taxes and withholdings.

Therefore, it is recommended that your Board approve the proposed incentive compensation payable to the Surgery Center Business Office Manager in the amount of $25,000, less all applicable federal and state taxes and withholdings, based on total collections of $5,334,053.95 for calendar year ended December 31, 2025.

Kern Medical Surgery Center, LLC
9300 Stockdale Hwy, Suite 200
Bakersfield, CA. 93311
661-964-2470

BOARD OF MANAGERS
REGULAR MEETING
KERN MEDICAL SURGERY CENTER, LLC

April 15, 2026

Subject: Proposed Business Office Manager Incentive Compensation Schedule for Calendar Year 2026

Recommended Action: Approve

Kern Medical Surgery Center, LLC employs a full-time Business Officer Manager whose primary responsibility is to conduct billing and collections for the surgery center. The current annual compensation for this exempt position consists of a base salary in the amount of $106,732 plus an annual bonus based on the amount of collections for the calendar year.

Staff recommends changing the calendar year 2026 incentive compensation schedule by increasing the minimum threshold of annual collections that the position is eligible to receive from $3,000,000 per year to $3,500,000. The incentive compensation would continue to be $5,000 for every $500,000 over $3,500,000 up to a maximum amount of $45,000 per year for $7,500,000 of collections. The maximum payable of $45,000 is the same as calendar year 2025. The following schedule shows the incentive compensation payable based on cash collections:

Annual Collections	Incentive Compensation
$3,500,000	$5,000.00
$4,000,000	$10,000.00
$4,500,000	$15,000.00
$5,000,000	$20,000.00
$5,500,000	$25,000.00
$6,000,000	$30,000.00
$6,500,000	$35,000.00
$7,000,000	$40,000.00
$7,500,000	$45,000.00

At the conclusion of the calendar year ending December 31, 2026, your Board will receive a request to approve the Business Office Manager's annual incentive compensation based on the surgery center collections.

Therefore, it is recommended that your Board approve the Business Office Manager incentive compensation schedule for calendar year ending December 31, 2026.

Kern Medical
Surgery Center

Kern Medical Surgery Center, LLC
9300 Stockdale Hwy, Suite 200
Bakersfield, CA. 93311
661-964-2470

BOARD OF MANAGERS
KERN MEDICAL SURGERY CENTER, LLC REGULAR MEETING

April 15,2026

Subject: Proposed Letter of Participation with Johnson & Johnson Health Care Systems Inc. for the purchase of disposable products for surgical procedures

Recommended Action: Approve; Authorize Chief Executive Officer to sign

Summary:

Kern Medical Surgery Center, LLC requests that your Board approve the proposed Letter of Participation with Johnson & Johnson Health Care Systems Inc. to purchase disposable handpieces to be used with the Johnson& Johnson Gen 11 generator at a preferred pricing. Kern Medical Surgery Center has seen an increase in Ears, Nose, and Throat, General, and Gynecological surgical procedures and found that Johnson & Johnson to be the most cost-effective vendor for the necessary disposable products for these procedures.

The cost is per Tier 2 Access according to the net sales estimation. Tier level pricing may be adjusted based on actual usage.

Counsel is unable to approve due to non-standard terms and conditions which include unknown applicable Vizient group purchasing terms, venue and law in Delaware, and wavier of a jury trial. Efforts were made to negotiate these terms but to no avail.

Even with the non-standard terms and conditions, Kern Medical Surgery Center continues to recommend that your Board approve the proposed Letter or Participation with Johnson & Johnson Health Care System Inc. for the purchase of disposable products for surgical procedures, with no term of participation, an estimate of $50,000 of yearly purchases, and authorize the Chief Executive Officer to sign.

Johnson&Johnson
MedTech

ETHICON

ENERGY CAPITAL PROMOTION

Prepared for

JJHCS# 1435246
KERN MEDICAL SURGERY CENTER LLC
9300 STOCKDALE HWY
BAKERSFIELD, CA 93311

ATTN:

QUOTE #: 1435246-1162025
QUOTE DATE: January 16, 2026
VALID THROUGH: February 15, 2026
ACCOUNT REP: Benjamin Rodriguez
ACCOUNT EXECUTIVE
Portfolio
OFFICE: 1 661 3456084

Generator and Related Capital Equipment

Qty	Product	Product Description	List Price (Box)	Discount Price (Box)	Extended Discount Price
1	GEN11	EES GENERATOR	$36,742.50	$4,997.00	$4,997.00
				SubTotal	$4,997.00

Service Coverage

Qty	Product	Product Description	Customer Price (Box)	Extended Discount Price
1	GEN11WAR3	GEN11 3 YEAR ESSENTIAL SUPPORT	$1,950.00	$1,950.00
			SubTotal	$1,950.00

Approved:
Scott Thygerson, CEO 02/13/2026

GRAND TOTAL $6,947.00

NOTE: Discount price for Capital only applicable if purchased with 3 Year Essential Support contract at quoted price. A Purchase Order for both Capital and Essential Support must be presented on the same day to qualify.

Orders for this quote must be placed through your sales representative.

APPROVED AS TO FORM:
Legal Services Department

By Shannon Hochstein
Kern County Hospital Authority

NOTES:

Quoted price is valid until February 15, 2026

Quoted pricing in Service Coverage section is valid for 90 days. Nine-month or 95 usage warranty on Harmonic Gray Handpieces (HP054 & HARHPGR) whichever comes first; Nine-month or 100 usage warranty on Harmonic Blue Handpieces (HPBLUE & HARHPBL). For direct purchases, delivery will be F.O.B. Origin, title transfer and Customer acceptance of such Product occurring upon transfer of Product to the carrier. Standard shipping prepaid within the contiguous United States and Alaska and Hawaii (unless otherwise requested). Payment terms are net 30 days. All purchases arising from this quote are subject to JJHCS standard invoice terms or the terms and conditions of any pricing agreement covering the products, as applicable.

JOHNSON&JOHNSON MEDTECH IS A VENDORMATE VENDOR FOR CUSTOMER/CLIENT.

THIS QUOTE CONTAINS CONFIDENTIAL INFORMATION OF ETHICON US, LLC. INTENDED SOLELY FOR INTERNAL USE BY THE RECIPIENT.

Proprietary and Confidential

Johnson&Johnson MedTech

LIMITED WARRANTY COVERAGE

- The Ethicon Generator (GEN11), Ethicon Megadyne Electrosurgical Generator (MEGEN1), Ethicon Megadyne Smoke Evacuator (MESE1), and ECVV120 are sold with a 12-month manufacturer limited warranty.
- Defective products covered by the limited warranty will be repaired or replaced (at the option of Ethicon US, LLC) at no cost including any shipping costs for replacement parts or products and next-day shipment of loaner equipment.
- Technical support is available by calling 1-877-ETHICON.

SERVICE COVERAGE PROGRAM

Customers wishing to extend coverage beyond the initial 12 months warranty have the following service coverage options:

Additional Service Coverage	GEN11	MEGEN1	MESE1	ECVV120	1000
1 Year Essential Support (GEN11WAR1, MEGENWAR1, MESEWAR1)	$795	$795	$495	N/A	N/A
2 Year Essential Support (GEN11WAR2, MEGENWAR2, MESEWAR2)	$1,450	$1,450	$850	N/A	N/A
3 Year Essential Support (GEN11WAR3, MEGENWAR3, MESEWAR3, ECVVWAR3, 1000WAR3)	$1,950	$1,950	$1,150	$550	$1,150

Accessories, output verification, electrical safety testing and preventative maintenance are not included. These options cover costs associated with repair only.

Orders for this quote must be placed through your Ethicon Account Executive.

NOTES:

Quoted pricing is valid for 30 days. Quoted pricing in Service Coverage section is valid for 90 days. Nine-month or 95 usage warranty on Harmonic Gray Handpieces (HP054 & HARHPGR) whichever comes first. Nine-month or 100 usage warranty on Harmonic Blue Handpieces (HPBLUE & HARHPBL). For direct purchases, delivery will be F.O.B. Origin, title transfer and Customer acceptance of such Product occurring upon transfer of Product to the carrier. Standard shipping prepaid within the contiguous United States and Alaska and Hawaii (unless otherwise requested). Payment terms are net 30 days. All purchases arising from this quote are subject to JJHCS standard invoice terms or the terms and conditions of any pricing agreement covering the products, as applicable.

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Johnson&Johnson
MedTech

SERVICE COVERAGE PROGRAM TERMS AND CONDITIONS

Throughout this agreement the words "we", "us", and "our" refer to Ethicon US, LLC. The words "you" and "your" refer to the purchaser of this service coverage program.

1. **Acceptance** - This agreement shall not become effective, and shall be of no force and effect unless and until it is accepted in writing by us. This agreement shall be effective for all purposes beginning on the later of acceptance by us or expiration of existing warranty period. Your receipt of our invoice is notification of acceptance by us.

2. **Service and Coverage** - This agreement covers all parts and labor for malfunctioning covered equipment, use of a loaner while repairs are performed, and includes freight for both the loaner and your unit for one year from the date of acceptance or expiration of an existing warranty or service agreement. To avoid additional charges, loaners must be returned to us no later than one week after receiving your unit back. Replacement parts may be new or rebuilt to perform as new. To arrange for service, call the Ethicon Resource Department at any time at 1-877-ETHICON.

3. **Reprocessing** - We will not provide service coverage on the generator or any hand piece if the covered generator or hand piece has been used with any HARMONIC® instruments that have been reprocessed, refurbished, repaired, or altered by anyone other than us or our authorized representatives.

4. **Limitations** - This agreement does not cover: (a) materials, equipment or accessories not furnished by us; (b) components, parts, and accessories lost by you; (c) any equipment which has been modified, altered or repaired by anyone other than us or our authorized representative; (d) any equipment stored, used, or handled in any manner inconsistent with its operating instructions; e) any equipment damaged due to accident, negligence, misuse, or abnormal use; fire, accident, vandalism, sabotage, terrorism, riots, abuse, water, smoke, lightning, natural disasters, war, embargoes, labor disputes, other calamities commonly defined as "Acts of God," or anything external to the equipment, including building structural deficiency or power supply, heating, humidity, temperature, ventilation, or air conditioning fluctuation or failure; f) damage or failure of equipment for which we provided an update or replacement, and the damage or failure would not have occurred but for your failure to install such update or replacement. The services outlined in these terms are our only obligation under this agreement. We will not be responsible for any special, indirect, consequential or reliance damages, loss of revenue or profit, downtime costs, loss of use of the equipment, cost of any substitute equipment, technology, facilities or services or claims of customers for such services from any claim related to this agreement, however caused and under any theory of liability whether based in contract, tort (including negligence and strict liability) or otherwise.

5. **Assignment** - This agreement is not transferable from the original purchaser.

6. **Renewal** - At our sole discretion, we may provide for renewal at the prices and terms then in effect as long as a service plan is available.

7. **Cancellation by Us** - This agreement may be cancelled by us at any time for fraud or material misrepresentation by you or the unauthorized repair or replacement of covered equipment or parts. In the event of cancellation by us for these items, written notice of cancellation shall be sent to you not less than thirty (30) days before cancellation is effective. In the event of cancellation, no refunds shall be provided.

NOTES:

Quoted prices are valid for 30 days. Quoted pricing in Service Coverage section is valid for 90 days. Nine-month or 95 usage warranty on Harmonic Blue Handpieces (HPBLUE & HARHPBL). For direct purchases, delivery will be F.O.B. Origin, title transfer and Customer acceptance of such Product occurs upon transfer of Product to the carrier. Standard shipping prepaid within the contiguous United States and Alaska and Hawaii (unless otherwise requested). Payment terms are net 30 days. All purchases arising from this quote are subject to J&JHCS standard invoice terms or the terms and conditions of any prior agreement covering the products, as applicable.

THIS QUOTE CONTAINS CONFIDENTIAL INFORMATION OF ETHICON US, LLC. INTENDED SOLELY FOR INTERNAL USE BY THE RECIPIENT.

6. **Renewal** - At our sole discretion, we may provide for renewal at the prices and terms then in effect as long as a service plan is available.

7 **Cancellation by Us** - This agreement may be cancelled by us at any time for fraud or material misrepresentation by you or the unauthorized repair or replacement of covered equipment or parts. In the event of cancellation by us for these items, written notice of cancellation shall be sent to you not less than thirty (30) days before cancellation is effective. In the event of cancellation, no refunds shall be provided.

8. **Cancellation by You** - This agreement can be cancelled by you at any time for any reason by contacting the Ethicon Resource Department (EthiconWarrantySales@its.jnj.com) and providing a notice of cancellation. If you cancel within thirty (30) days of the effective date of this agreement, you shall receive a full refund of the price paid for the agreement provided no service has been performed. There will be a handling charge of $50.

9 **Product Modifications** - We reserve the right to make changes to products built and/or sold by us at any time without incurring any obligation to make the same or similar changes on products previously built and/or sold.

Orders for this quote must be placed through your Ethicon Account Executive.

NOTES:

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Johnson&Johnson
MedTech

September 26, 2025

Dear Valued Customer,

At Johnson & Johnson MedTech, we pride ourselves in providing advanced surgical solutions for patients and our customers. As we continue to advance innovation, we must also evolve our business, focus resources, and reshape our product portfolio so that we can make our latest innovations more readily available when and where they are needed.

We are writing to you to inform you of the **end-of-life of the ETHICON™ G11 Electrosurgical Generator (GEN11)**. Importantly, this is purely a business decision, and there is no change in the safety or efficacy of this product. This decision comes amidst our recent launch of our combined core and advanced electrosurgical generator the DUALTO™ Energy System. To learn more about DUALTO, you can visit our product page here, DUALTO™ Energy System | J&J MedTech.

The sale of new GEN11 generators will discontinue effective March 31, 2026.

Product code	Product description	End-of-life date	Image
GEN11	Ethicon G11 Generator	March 31, 2026	

In accordance with Johnson & Johnson MedTech's policy to support capital products for at least 7 years from date of manufacture, Johnson & Johnson MedTech will no longer provide technical support or repair services for the GEN11 generators after their respective end-of-guaranteed-support dates, based on each generator's individual manufacture date. These end-of-guaranteed-support dates are specified in the table below.

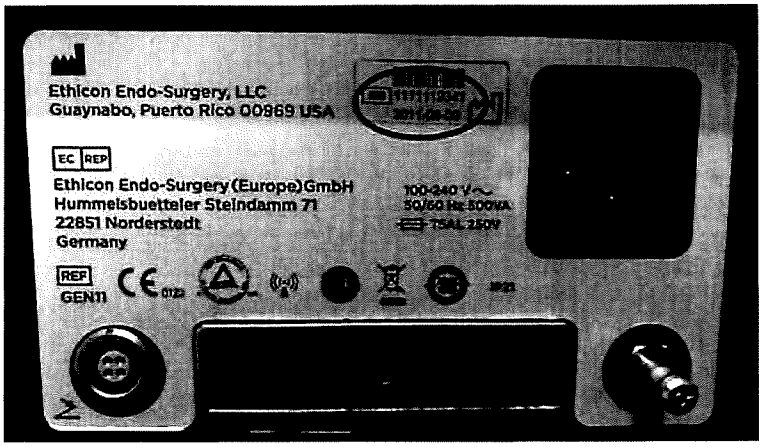
Please note that software support will be limited to cyber security updates after December 31, 2027, for all GEN 11 units. Any related accessories to GEN11 will continue to be sold and cyber security support will be provided until the end of support date of March 31, 2034. Coverage for units with purchased service agreements for the GEN11 generator will continue through the term of the purchased coverage.

Johnson&Johnson
MedTech

Manufacture Date	End-of-Guaranteed-Support Date	SN Range
Prior to January 1, 2020	December 31, 2027	1111100000-1111952999
January 1, 2020 – December 31, 2020	December 31, 2028	1112000000-1112052999
January 1, 2021 – December 31, 2021	December 31, 2029	1112100000-1112152999
January 1, 2022 – December 31, 2022	December 31, 2030	1112200000-1112252999
January 1, 2023 – December 31, 2023	December 31, 2031	1112300000-1112352999
January 1, 2024 – December 31, 2024	December 31, 2032	1112400000-1112452999
January 1, 2025 – December 31, 2025	December 31, 2033	1112500000-1112552999
January 1, 2026 – March 31, 2026	March 31, 2034	1112600000-1112652999

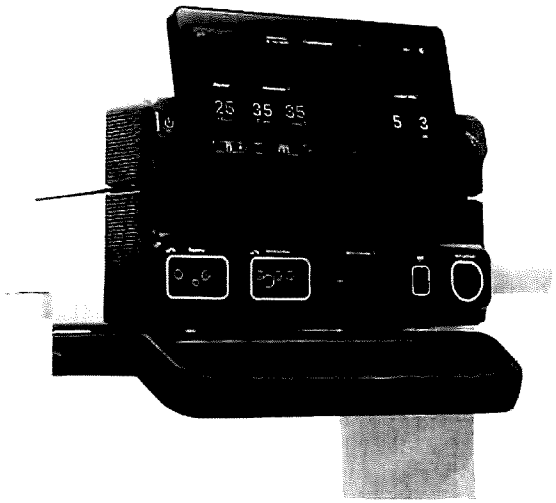
Locating Manufacture Date

The manufacture date of a GEN11 generator can be located on the rear label of the system below the serial number (circled in the image below).



Johnson&Johnson
MedTech

If you have any questions regarding this notification, if you are interested in learning more about the DUALTO™ Energy System, or if you'd like assistance in assessing the manufacture date(s) of your GEN11 system(s), please contact your Johnson & Johnson MedTech Energy sales representative or our Technical Support team at 877-384-4266.



We appreciate your business over the years and the trust you have placed in GEN11. We look forward to continuing to serve you with the new DUALTO™ Energy System.

Sincerely,

David Broeker

Vice President – US Marketing, Medtech Surgery

Tracy McPhaden

Senior Director – U.S. Marketing, Energy

Johnson&Johnson
MedTech

ETHICON
ENERGY CAPITAL PROMOTION

Prepared for

JJHCS# 1435246
KERN MEDICAL SURGERY CENTER LLC
9300 STOCKDALE HWY
BAKERSFIELD, CA 93311

ATTN:

QUOTE #: 1435246-1162025
QUOTE DATE: January 16, 2026
VALID THROUGH: February 15, 2026
ACCOUNT REP: Benjamin Rodriguez
ACCOUNT EXECUTIVE
Portfolio
OFFICE: 1 661 3456084

Generator and Related Capital Equipment

Qty	Product	Product Description	List Price (Box)	Discount Price (Box)	Extended Discount Price
1	GEN11	EES GENERATOR	$36,742.50	$4,997.00	$4,997.00
				SubTotal	**$4,997.00**

Service Coverage

Qty	Product	Product Description	Customer Price (Box)	Extended Discount Price
1	GEN11WAR3	GEN11 3 YEAR ESSENTIAL SUPPORT	$1,950.00	$1,950.00
			SubTotal	**$1,950.00**

GRAND TOTAL **$6,947.00**

NOTE: Discount price for Capital only applicable if purchased with 3 Year Essential Support contract at quoted price. A Purchase Order for both Capital and Essential Support must be presented on the same day to qualify.

Orders for this quote must be placed through your sales representative.

NOTES:
Quoted price is valid until February 15, 2026

Quoted pricing in Service Coverage section is valid for 90 days Nine-month or 95 usage warranty on Harmonic Gray Handpieces (HP054 & HARHPGR) whichever comes first; Nine-month or 100 usage warranty on Harmonic Blue Handpieces (HPBLUE & HARHPBL) For direct purchases, delivery will be F O B Origin, title transfer and Customer acceptance of such Product occurring upon transfer of Product to the carrier Standard shipping prepaid within the contiguous United States and Alaska and Hawaii (unless otherwise requested) Payment terms are net 30 days All purchases arising from this quote are subject to JJHCS standard invoice terms or the terms and conditions of any pricing agreement covering the products, as applicable

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Proprietary and Confidential

Johnson & Johnson
MedTech

LIMITED WARRANTY COVERAGE

- The Ethicon Generator (GEN11), Ethicon Megadyne Electrosurgical Generator (MEGEN1), Ethicon Megadyne Smoke Evacuator (MESE1), and ECVV120 are sold with a 12-month manufacturer limited warranty.
- Defective products covered by the limited warranty will be repaired or replaced (at the option of Ethicon US, LLC) at no cost including any shipping costs for replacement parts or products and next-day shipment of loaner equipment.
- Technical support is available by calling 1-877-ETHICON.

SERVICE COVERAGE PROGRAM

Customers wishing to extend coverage beyond the initial 12 months warranty have the following service coverage options:

Additional Service Coverage	GEN11	MEGEN1	MESE1	ECVV120	1000
1 Year Essential Support (GEN11WAR1, MEGENWAR1, MESEWAR1)	$795	$795	$495	N/A	N/A
2 Year Essential Support (GEN11WAR2, MEGENWAR2, MESEWAR2)	$1,450	$1,450	$850	N/A	N/A
3 Year Essential Support (GEN11WAR3, MEGENWAR3, MESEWAR3, ECVVWAR3, 1000WAR3)	$1,950	$1,950	$1,150	$550	$1,150

Accessories, output verification, electrical safety testing and preventative maintenance are not included. These options cover costs associated with repair only.

Orders for this quote must be placed through your Ethicon Account Executive.

NOTES:

Quoted pricing is valid for 30 days. Quoted pricing in Service Coverage section is valid for 90 days. Nine-month or 95 usage warranty on Harmonic Gray Handpieces (HP054 & HARHPGR) whichever comes first; Nine-month or 100 usage warranty on Harmonic Blue Handpieces (HP8LUE & HARHP8L). For direct purchases, delivery will be F.O.B. Origin, title transfer and Customer acceptance of such Product occurring upon transfer of Product to the carrier. Standard shipping prepaid within the contiguous United States and Alaska and Hawaii (unless otherwise requested). Payment terms are not 30 days. All purchases arising from this quote are subject to JJHCS standard invoice terms or the terms and conditions of any pricing agreement covering the products, as applicable.

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Johnson & Johnson

SERVICE COVERAGE PROGRAM TERMS AND CONDITIONS

Throughout this agreement the words "we", "us", and "our" refer to Ethicon US, LLC. The words "you" and "your" refer to the purchaser of this service coverage program.

1. **Acceptance** - This agreement shall not become effective, and shall be of no force and effect unless and until it is accepted in writing by us. This agreement shall be effective for all purposes beginning on the later of acceptance by us or expiration of existing warranty period. Your receipt of our invoice is notification of acceptance by us.

2. **Service and Coverage** - This agreement covers all parts and labor for malfunctioning covered equipment, use of a loaner while repairs are performed, and includes freight for both the loaner and your unit for one year from the date of acceptance or expiration of an existing warranty or service agreement. To avoid additional charges, loaners must be returned to us no later than one week after receiving your unit back. Replacement parts may be new or rebuilt to perform as new. To arrange for service, call the Ethicon Resource Department at any time at 1-877-ETHICON.

3. **Reprocessing** - We will not provide service coverage on the generator or any hand piece if the covered generator or hand piece has been used with any HARMONIC® instruments that have been reprocessed, refurbished, repaired, or altered by anyone other than us or our authorized representatives.

4. **Limitations** - This agreement does not cover: (a) materials, equipment or accessories not furnished by us; (b) components, parts, and accessories lost by you; (c) any equipment which has been modified, altered or repaired by anyone other than us or our authorized representative; (d) any equipment stored, used, or handled in any manner inconsistent with its operating instructions; e) any equipment damaged due to accident, negligence, misuse, or abnormal use; fire, accident, vandalism, sabotage, terrorism, riots, abuse, water, smoke, lightning, natural disasters, war, embargoes, labor disputes, other calamities commonly defined as "Acts of God," or anything external to the equipment, including building structural deficiency or power supply, heating, humidity, temperature, ventilation, or air conditioning fluctuation or failure; f) damage or failure of equipment for which we provided an update or replacement, and the damage or failure would not have occurred but for your failure to install such update or replacement. The services outlined in these terms are our only obligation under this agreement. We will not be responsible for any special, indirect, consequential or reliance damages, loss of revenue or profit, downtime costs, loss of use of the equipment, cost of any substitute equipment, technology, facilities or services or claims of customers for such services from any claim related to this agreement, however caused and under any theory of liability whether based in contract, tort (including negligence and strict liability) or otherwise.

5. **Assignment** - This agreement is not transferable from the original purchaser.

6. **Renewal** - At our sole discretion, we may provide for renewal at the prices and terms then in effect as long as a service plan is available.

7. **Cancellation by Us** - This agreement may be cancelled by us at any time for fraud or material misrepresentation by you or the unauthorized repair or replacement of covered equipment or parts. In the event of cancellation by us for these items, written notice of cancellation shall be sent to you not less than thirty (30) days before cancellation is effective. In the event of cancellation, no refunds shall be provided.

NOTES:

Quoted pricing is valid for 30 days. Quoted pricing in Service Coverage section is valid for 90 days. Nine-month or 95 usage warranty on Harmonic Gray Handpieces (HPG54 & HARHPGR) whichever comes first. Nine-month or 100 usage warranty on Harmonic Blue Handpieces (HPBLUE & HARHPBL). For direct purchases, delivery will be F.O.B. Origin, title transfer and Customer acceptance of such Product occurring upon transfer of Product to the carrier. Standard shipping prepaid within the contiguous United States and Alaska and Hawaii (unless otherwise requested). Payment terms are net 30 days. All purchases arising from this quote are subject to JJHCS standard invoice terms or the terms and conditions of any pricing agreement covering the products, as applicable.

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6. **Renewal** - At our sole discretion, we may provide for renewal at the prices and terms then in effect as long as a service plan is available.

7. **Cancellation by Us** - This agreement may be cancelled by us at any time for fraud or material misrepresentation by you or the unauthorized repair or replacement of covered equipment or parts. In the event of cancellation by us for these items, written notice of cancellation shall be sent to you not less than thirty (30) days before cancellation is effective. In the event of cancellation, no refunds shall be provided.

8. **Cancellation by You** - This agreement can be cancelled by you at any time for any reason by contacting the Ethicon Resource Department (EthiconWarrantySales@its.jnj.com) and providing a notice of cancellation. If you cancel within thirty (30) days of the effective date of this agreement, you shall receive a full refund of the price paid for the agreement provided no service has been performed. There will be a handling charge of $50.

9. **Product Modifications** - We reserve the right to make changes to products built and/or sold by us at any time without incurring any obligation to make the same or similar changes on products previously built and/or sold.

Orders for this quote must be placed through your Ethicon Account Executive.

NOTES:

Quoted pricing is valid for 30 days. Quoted pricing in Service Coverage section is valid for 90 days. Nine-month or 95 usage warranty on Harmonic Grey Handpieces (HP054 & HARHPGR) whichever comes first; Nine-month or 300 usage warranty on Harmonic Blue Handpieces (HPBLUE & HARHPBL). For direct purchases, delivery will be F.O.B. Origin, title transfer and Customer acceptance of such Product occurring upon transfer of Product to the carrier. Standard shipping prepaid within the contiguous United States and Alaska and Hawaii (unless otherwise requested). Payment terms are net 30 days. All purchases arising from this quote are subject to J&JHCS standard invoice terms or the terms and conditions of any pricing agreement covering the products, as applicable

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VIZIENT PRICE LIST - CONTRACT #CE7643

Ethicon
ENERGY
0631226-232718-1
CE7643
Vizient Advanced Energy
Tier 2 Advanced Energy $50K, Harmonic 85% MS
BOTH

PROD CD	PROD DESCRIPTION	QTY/BX	PRICE BOOK	DISCOUNT	DIRECT PRICE	PRICE/Ea	INDIRECT PRICE	PRICING START DATE	PRICING END DATE	DISTRIBUTION MODE	PRODUCT STATUS
HAR1120	HARMONIC 1100 SHEARS 20CM	6	ESSD89	45 20 %	$ 3,866 56	$ 644 43	$ 3,866 56	02/01/2023	01/31/2026	BOTH	Active
HAR1136	HARMONIC 1100 SHEARS 36CM	6	ESSD89	45 20 %	$ 4,402 86	$ 733 81	$ 4,402.86	02/01/2023	01/31/2026	BOTH	Active
HAR17F	HS FOCUS 17CM PLUS ADAPTIVE	6	ESSD89	45 20 %	$ 3,037 76	$ 506 29	$ 3,037 76	02/01/2023	01/31/2026	BOTH	Active
HAR23	(VET) HARMONIC LAP 5MM SHEAR 23CM	6	ESSD89	45 20 %	$ 2,654 74	$ 442 46	$ 2,654 74	02/01/2023	01/31/2026	BOTH	Active
HAR36	(VET) HARMONIC LAP 5MM SHEAR 36CM	6	ESSD89	45 20 %	$ 3,021 91	$ 503 65	$ 3,021 91	02/01/2023	01/31/2026	BOTH	Active
HAR723	HARMONIC 700 SHEARS 23CM	6	ESSD89	45.20 %	$ 2,847 46	$ 474 58	$ 2,847 46	02/01/2023	01/31/2026	BOTH	Active
HAR736	HARMONIC 700 SHEARS 36CM	6	ESSD89	45 20 %	$ 3,242 42	$ 540 40	$ 3,242 42	02/01/2023	01/31/2026	BOTH	Active
HAR745	HARMONIC 700 SHEARS 45CM	6	ESSD89	45 20 %	$ 3,572 31	$ 595.39	$ 3,572.31	02/01/2023	01/31/2026	BOTH	Active
HAR9F	HS FOCUS 9CM PLUS ADAPTIVE	6	ESSD89	45.20 %	$ 2,832.67	$ 472.11	$ 2,832.67	02/01/2023	01/31/2026	BOTH	Active
HARHPBL	HARMONIC BLUE HAND PIECE	1		0 00 %	$ 895 00	$ 895 00	Not Found	02/01/2023	01/31/2026	DIRECT	Active
HARHPGR	HARMONIC GREY HAND PIECE	1		0 00 %	$ 895 00	$ 895 00	Not Found	02/01/2023	01/31/2026	DIRECT	Active
HDH05	HARMONICSCALPEL 5MM HD SHEATH HOOK	6	ESSD89	45.20 %	$ 1,192 48	$ 198 75	$ 1,192 48	02/01/2023	01/31/2026	BOTH	Active
HSA08	HS DISP HAND SWITCH ADAPTER	3	ESSD89	45 20 %	$ 106 82	$ 35 61	$ 106 82	02/01/2023	01/31/2026	BOTH	Active
HST02	HARMONIC SCAPEL TEST TIP	1	ESSD89	45 20 %	$ 17 33	$ 17 33	$ 17 33	02/01/2023	01/31/2026	BOTH	Active
NSLG2C35A	ENSEAL G2 ART CURV SEALER 35CM	6	ESSD89	35 20 %	$ 3,200 85	$ 533 48	$ 3,200 85	02/01/2023	01/31/2026	BOTH	Active
NSLG2C45A	ENSEAL G2 ART CURV SEALER 45CM	6	ESSD89	35 20 %	$ 3,525 76	$ 587 63	$ 3,525 76	02/01/2023	01/31/2026	BOTH	Active
NSLG2S35A	ENSEAL G2 ART STRA SEALER 35CM	6	ESSD89	35.20 %	$ 3,259.92	$ 543 32	$ 3,259 92	02/01/2023	01/31/2026	BOTH	Active
NSLG2S45A	ENSEAL G2 ART STRA SEALER 45CM	6	ESSD89	35.20 %	$ 3,692.06	$ 615 34	$ 3,692.06	02/01/2023	01/31/2026	BOTH	Active
NSLX120L	ENSEAL X1 LARGE JAW TISSUE SEALER	6	ESSD89	35.20 %	$ 3,493 43	$ 582 24	$ 3,493.43	02/01/2023	01/31/2026	BOTH	Active
NSLX12SC	ENSEAL X1 CURVED 25CM SHAFT	3	ESSD89	35.20 %	$ 1,489 60	$ 496 53	$ 1,489 60	02/01/2023	01/31/2026	BOTH	Active
NSLX125S	ENSEALX1 STRAIGHT 25CM SHAFT	3	ESSD89	35 20 %	$ 1,381 55	$ 460 52	$ 1,381 55	02/01/2023	01/31/2026	BOTH	Active
NSLX137C	ENSEAL X1 CURVED 37CM SHAFT	3	ESSD89	35.20 %	$ 1,628 20	$ 542.73	$ 1,628 20	02/01/2023	01/31/2026	BOTH	Active
NSLX137S	ENSEAL X1 STRAIGHT 37CM SHAFT	3	ESSD89	35.20 %	$ 1,414.84	$ 471.61	$ 1,414.84	02/01/2023	01/31/2026	BOTH	Active
NSLX145C	ENSEAL 45 CM SHAFT, CURVED JAW	3	ESSD89	35.20 %	$ 1,838.35	$ 612 78	$ 1,838 35	02/01/2023	01/31/2026	BOTH	Active
TLB01	TORQUE LOCK BLADE WRENCH	2	ESSD89	45 20 %	$ 49.51	$ 24.76	$ 49 51	02/01/2023	01/31/2026	BOTH	Active
TTBLUE	HARMONIC BLUE TEST TIP	1	ESSD89	45 20 %	$ 18.27	$ 18.27	$ 18 27	02/01/2023	01/31/2026	BOTH	Active

Prices may be subject to federal or state taxes and distributor mark-ups.

Prices and Terms are subject to change. All orders are subject to acceptance by Ethicon US, LLC, as applicable

Products are invoiced at prices on the date the order is received by Johnson & Johnson Health Care Systems

THIS DOCUMENT CONTAINS CONFIDENTIAL AND PROPRIETARY TRADE SECRETS OF ETHICON US, LLC

Kern Medical
Surgery Center

Kern Medical Surgery Center, LLC
9300 Stockdale Hwy, Suite 200
Bakersfield, CA. 93311
661-964-2470

BOARD OF MANAGERS
REGULAR MEETING
KERN MEDICAL SURGERY CENTER, LLC

April 15, 2026

Subject: Public hearing pursuant to Government Code 3502.3 regarding Kern Medical Surgery Center, LLC, vacancies, recruitment and retention efforts (Assembly Bill 2561)

Requested Action: Open hearing; receive public comment; close hearing; receive and file

Summary:

On September 22, 2024, Governor Newsom signed into law Assembly Bill 2561 (AB 2561) which adds section 3502.3 to the Government Code. AB 2561 requires that public agencies hold an annual public hearing during which public agencies must report on the status of vacancies, recruitment and retention efforts. Recognized employee organizations are permitted to make presentations during the hearing with respect to positions within the organizations' bargaining units. This hearing must be held before your Board approves the annual budget, as required by the statute.

Therefore, it is recommended that your Board open the public hearing, receive public comment, close the hearing, and receive and file.

Kern Medical
Surgery Center

AB 2561 Presentation - Kern Medical Surgery Center, LLC

Status on Vacancies &
Recruitment & Retention Efforts

Presented by Roby Hunt

April 15, 2026

BOARD OF MANAGERS MEETING

Background

Under the Meyers-Milias-Brown Act local agencies must:

- Hold an annual public hearing before the governing body to present information on vacancies, recruitment and retention efforts, and obstacles in the hiring process.
  - The public hearing must occur before approval of annual budget.
- Allow employee organizations to make presentations during the public hearing.

Workforce Information

- Current Authorized ***Full-Time*** SEIU Represented FTE: ***118***
- Represented Bargaining Units:

Supervisory	Clerical
Professional	Administrative
Technical Services	Trades/Craft/Labor

Bargaining Unit Specific Information

As of April 1, 2025	Vacancies FTE	Authorized FTE	Vacancy Rate
Supervisory	0	8	0%
Professional	0	*31	0%
Technical Services	3	57	5%
Clerical	0	21	0%
Administrative	0	1	0%
Trades/Craft/Labor	0	0	0%

* 1 NP in onboarding

Staffing Challenges

Many roles attract strong candidate pools. However, despite low vacancy rates, the following recruitment obstacles remain:

- High Market Competitiveness
  - Especially for licensed clinical and specialty roles
- Skilled candidate pool shortages
  - Most commonly occurring in roles requiring specialized certification, advanced degrees, or niche experience
- Declined employment offers due to salary
  - Newly negotiated MOU salary increases should attract top candidates to accept employment offers

Staffing & Retention Efforts

Ongoing efforts to strengthen hiring strategy include:

- Outreach through marketing, events, and school partnerships to build talent pipelines
- Actively monitoring market trends, turnover, and hard-to-fill roles
- Using benchmarking to assess our competitiveness and guide compensation decisions
- Proactively reviewing job descriptions and requirements to align with evolving candidate pools

Kern Medical
Surgery Center

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BOARD OF MANAGERS
REGULAR MEETING
KERN MEDICAL SURGERY CENTER, LLC

April 15, 2026

Subject: Proposed Kern Medical Surgery Center Operating Budget for Fiscal Year 2026-2027

Recommended Action: Approve

Summary:

The FY 2026-2027 budget for Kern Medical Surgery Center, LLC reflects continued operational growth with a focus on volume optimization, cost management, and efficient resource utilization. The proposed budget is based on an estimated case volume of 3,050 surgeries and projected gross patient revenue of $21.1 million. The budgeted operating revenue includes Medicare, Medi-Cal, commercial insurance, private pay cases and contractual adjustments.

For comparison, FY 2025-2026 projected performance reflects total case volume of 2,637 cases and projected gross patient revenue of $18.0 million. The FY 2026-2027 budget, therefore, reflects continued growth in both procedural volume and revenue.

Strategic emphasis for FY 2026-2027 includes maintaining strong case growth, managing supply costs, and controlling purchased services expenditures while continuing to deliver high-quality surgical care.

Operating and Other Expense:

- $2.4 million total supply budget reflects anticipated procedural growth and inflationary increases in medical and surgical supplies. Ongoing supply chain management and vendor negotiations will continue to mitigate cost increases
- $1.4 million total purchased services budget includes contracted clinical services, maintenance agreements, IT support, and operational service contracts. Efforts will continue to evaluate vendor performance and identify cost-containment opportunities

Salary and Benefit Expense:
The proposed budget provides funding for all authorized positions. Although all recommended positions are funded for FY 2026-2027, it is important to note that Kern Medical Surgery Center budgets for staffing based on patient census. Industry standard nurse-to-patient staffing ratios with appropriate allocation to driving staff costs, as is customary in an ambulatory surgical center setting.

Financial Outlook:
Kern Medical Surgery Center is anticipating revenue to remain stable. However, expense growth is projected to outpace revenue increases during this budget cycle. Key contributing factors to the projected loss include increased staffing costs to maintain safe patient care levels, rising medical and surgical supply expenses, technology and equipment investments, and contractual service cost increases. Additionally, reimbursement rates from certain payers have not kept pace with inflation and operational cost increases, further impacting overall financial performance.

Kern Medical Surgery Center, LLC

Fiscal Year 2026-27 Operating Budget

	Jul 25 - Jan 26 YTD	Full Year 2026 Projection	Fiscal Year 2027 Budget
Cases	**1,538**	**2,637**	**3,050**
Income			
20290000 - Patient Refunds			
57800000 - Income			
35210050 - Gross KMSC Patient Revenue	$ 10,518,231	$ 18,031,253	$ 21,090,870
58510050 - Contractual Expense	(7,611,018)	(13,047,459)	(15,261,405)
Total for 57800000 - Income	**2,907,213**	**4,983,794**	**5,829,465**
Expenses			
62600000 - Contract Labor PEO	1,397,739	2,396,125	2,515,931
62600001 - Medical Insurance	211,924	363,298	381,463
Total for 62600000 - Contract Labor PEO	**1,609,663**	**2,759,423**	**2,897,394**
62900000 - Accounting	27,943	47,902	50,297
63100000 - Implants	357,549	612,941	992,618
63600000 - Medical Gas	31,076	53,273	56,469
63800000 - Pharmaceuticals	40,826	69,987	105,402
63900000 - Radiation Badges	10,823	18,554	19,667
64100000 - Medical Supplies	578,534	991,772	1,150,402
64400000 - Laundry / Linen	42,594	73,017	77,399
64600000 - Office Expense	7,494	12,847	13,618
64600000 - Office Supplies	2,585	4,431	4,697
64800000 - Small Medical Equipment	5,105	8,751	9,277
64900000 - Computer and Internet Expenses	24,605	42,180	44,289
66200000 - Repairs and Maintenance	38,468	65,945	69,243
66900000-Accreditation Survey	618	1,059	1,112
66900000 - Billing Expense	53,696	92,050	96,652
66900000 - Janitorial Expense	30,900	52,971	55,620
66900000 - Medical Waste	7,500	12,857	13,500
66900000 - Outside Services	139,283	238,771	342,510
66900000 - Transcription	16,004	27,436	28,808
66910000 - Building Security	1,094	1,876	1,969
67500000 - Rent Expense	258,656	443,411	465,582
67600000 - Rental Equipment	3,832	6,569	6,898
67700000 - Utilities-Electric	58,461	100,219	105,230
67800000 - Utilities - Gas	3,618	6,202	6,512
68300000 - Business Licenses and Permits	12,814	21,966	23,065
68300000 - CA Franchise Tax	27,664	47,424	49,795

68500000 - Telephone Expense	5,149	8,828	9,269
69000000 - Meals and Entertainment	186	320	336
69010000 - Postage / Shipping	3,181	5,453	5,726
Operating Expenses	**3,399,921**	**5,828,436**	**6,703,354**
Gain/(Loss) From Operations	**(492,708)**	**(844,642)**	**(873,889)**
68410000 - Interest Expense	4,609	7,901	8,296
67200000 - Depreciation Expense-Building	45,378	77,791	77,791
67400000 - Depreciation Expense - Equip.	152,970	262,234	262,234
Total Non-Operating Expenses	**202,957**	**347,926**	**347,926**
Net Income/(Loss)	**$ (695,665)**	**$ (1,192,568)**	**$ (1,221,816)**
EBIDA	**$ (492,708)**	**$ (844,642)**	**$ (873,494)**

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION

(Government Code Section 54957.7)

On the recommendation of the Chief Executive Officer, the Board of Governors will hold a closed session on April 15, 2026, to discharge its responsibility to evaluate and improve the quality of care rendered by health facilities and health practitioners. The closed session involves:

__X__ Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) –

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION

(Government Code Section 54957.7)

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KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION

Government Code Section 54956.9

Based on the advice of Counsel, the Board of Governors is holding a closed session on April 15, 2026, to confer with, or receive advice from Counsel regarding pending litigation, because discussion in open session concerning this matter would prejudice the position of the authority in the litigation. The closed session involves:

__X__ CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Advanced Imaging Services, Inc., Plaintiff, v. Kern County Hospital Authority d/b/a Kern Medical Center, Defendant, Kern County Superior Court Case No. 26CUB00843 BCB –

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION

Health and Safety Code Section 101855(e)(1)

On the recommendation of the Chief Executive Officer, the Board of Governors will hold a closed session on April 15, 2026, the premature disclosure of which would create a substantial probability of depriving the authority of a substantial economic benefit or opportunity. The closed session involves:

__X__ Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) –

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION

Government Code Section 54957.7

The Board of Governors will hold a closed session on April 15, 2026, to consider:

__X__ CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Vice President & General Counsel Karen S. Barnes, and designated staff - Unrepresented Employee: Chief Executive Officer (Government Code Section 54957.6) –