



## **AGENDA**

### **KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS**

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

**Regular Meeting**  
Wednesday, August 20, 2025

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 July 16, 2025 –  
APPROVE

CA

- 4) Proposed Agreement with Curlin Medical, an independent contractor, containing nonstandard terms and conditions, for training of BioMed Technicians to perform preventive maintenance on intravenous pumps, effective August 20, 2025, in an amount not to exceed \$7,500 –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 5) Proposed Order Form with Qualtrics LLC, an independent contractor, for patient and employee experience surveys from November 16, 2025 through November 15, 2028, in an amount not to exceed \$393,459 –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 6) Proposed Lease Agreement with Advanced Imaging Services, Inc., an independent contractor, for one mobile MRI unit for a term of 24 months from the date of delivery in an amount not to exceed \$924,000 –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 7) Proposed retroactive Service Agreement Quotation 00195540 with Advanced Sterilization Products, an independent contractor, containing nonstandard terms and conditions, for service and maintenance of sterilization equipment from July 8, 2025 through October 31, 2025, in an amount not to exceed \$11,785 –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 8) Proposed Agreement with JTS Construction, an independent contractor, for construction services related to the CT scan replacement project from August 20, 2025 until project completion, in an amount not to exceed \$395,500 –  
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 JTS CONSTRUCTION IN THE AMOUNT OF \$359,500; 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 \$395,450

CA

- 9) Proposed Third Amendment to Agreement 23316 with The Board of Trustees of the Leland Stanford Junior University, on behalf of California Maternal Quality Care Collaborative, for participation in the Maternal Data Center, for the period October 1, 2016 through September 30, 2025, extending the term for three years from October 1, 2025 through September 30, 2028, and increasing the maximum payable by \$35,700, from \$105,000 to \$140,700, to cover the extended term –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 10) Proposed Ordering Document CPQ-4013564 with Oracle America, Inc, an independent contractor, containing nonstandard terms and conditions, for onboarding of a new legacy data platform from August 20, 2025 through August 19, 2026, in an amount not to exceed \$10,128 –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 11) Proposed acceptance of donation from Intuitive Surgical, Inc., for travel and related expenses to cover all costs for two Kern Medical Center employees to attend the 10th Annual Intuitive 360 conference in Chula Vista, California, from September 4-6, 2025 –  
APPROVE; ADOPT RESOLUTION

CA

- 12) Proposed acceptance of donation from Public Risk Innovation, Solution, and Management (PRISM) for travel and related expenses to cover two Kern Medical Center employees to attend the PRISM 2025 Annual Conference in San Diego, California, from September 30 through October 3, 2025 –  
APPROVE; ADOPT RESOLUTION

CA

- 13) Proposed retroactive Quote Q-351642 with Ultimate Kronos Group Inc., an independent contractor, containing nonstandard terms and conditions, for a human resources subscription service from August 1, 2025 through July 31, 2028, in an amount not to exceed \$1,796,028 –  
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN

CA

- 14) Proposed Amendment No. 3 to Agreement 2020-171 with the City of Bakersfield, an independent contractor, for no-cost clinic space located at 1900 East Brundage Lane, for the period September 9, 2020 through September 9, 2025, extending the term from September 9, 2025 through September 30, 2030 –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 15) Proposed Agreement with Roba S. Alhasan, M.D., a contract employee, for professional medical services in the Department of Medicine from September 6, 2025 through September 5, 2028, in an amount not to exceed \$2,700,000, plus applicable benefits –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 16) Proposed Amendment No. 1 to Agreement 60523 with Yufan Brandon Chen, M.D., a contract employee, for professional medical and administrative services in the Department of Obstetrics and Gynecology, for the period August 1, 2023 through July 31, 2026, increasing the compensation for call coverage, and increasing the maximum payable by \$500,000, from \$1,500,000 to \$2,000,000, to cover the term –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 17) Proposed Amendment No. 1 to Agreement 144-2024 with Antonio L. Garcia, M.D., a contract employee, for professional medical and administrative services in the Department of Obstetrics and Gynecology, for the period October 1, 2024 through September 30, 2027, increasing the compensation for call coverage, and increasing the maximum payable by \$500,000, from \$1,650,700 to \$2,150,000, to cover the term –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 18) Proposed Amendment No. 2 to Agreement 095-2022 with Sarah G. Gonzalez, M.D., a contract employee, for professional medical and administrative services in the Department of Medicine, for the period August 1, 2022 through July 31, 2028, increasing the annual base salary by \$25,000, from \$340,00 to \$365,000 –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 19) Proposed Amendment No. 2 to Agreement 044-2023 with Juan M. Lopez, M.D., a contract employee, for professional medical and administrative services in the Department of Obstetrics and Gynecology, for the period March 15, 2023 through March 14, 2028, increasing the compensation for call coverage, and increasing the maximum payable by \$500,000, from \$3,500,000 to \$4,000,000, to cover the term –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 20) Proposed Amendment No. 2 to Agreement 16523 with Yasser Ratl Mrad, M.D., a contract employee, for professional medical and administrative services in the Department of Obstetrics and Gynecology, for the period March 15, 2023 through March 14, 2026, increasing the compensation for call coverage, adding an annual stipend for medical director services, and increasing the maximum payable by \$750,000, from \$1,500,000 to \$2,250,000, to cover the term –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 21) Proposed Agreement with John B. Schlaerth, M.D., A California Medical Corporation, an independent contractor, for professional medical services in the Department of Obstetrics and Gynecology from September 1, 2025 through August 31, 2028, in an amount not to exceed \$1,320,000 –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 22) Proposed Agreement with Efe Chantal Ghanney Simons, M.D., a contract employee, for professional medical services in the Department of Surgery from September 20, 2025 through September 19, 2028, in an amount not to exceed \$2,250,000, plus applicable benefits –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN



CA

- 23) Proposed Agreement with Najib Ussef, M.D., a contract employee, for professional medical services in the Department of Surgery from August 20, 2025 through August 19, 2028, in an amount not to exceed \$2,800,000, plus applicable benefits –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 24) Proposed Agreement with Sandeep S. Walia, M.D., A Professional Medical Corporation, doing business as West Coast Eye Institute, an independent contractor, for professional medical services in the Department of Surgery from September 1, 2025 through August 31, 2028, in an amount not to exceed \$2,400,000 –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 25) Report on upcoming anticipated retroactive agreements –  
RECEIVE AND FILE
- 26) Kern County Hospital Authority Chief Financial Officer report –  
RECEIVE AND FILE
- 27) Kern County Hospital Authority Chief Executive Officer report –  
RECEIVE AND FILE
- CA
- 28) Monthly report on What's Happening at Kern Medical Center –  
RECEIVE AND FILE
- CA
- 29) Claims and Lawsuits Filed as of July 31, 2025 –  
RECEIVE AND FILE

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

- C-30) Kern Medical Surgery Center, LLC, Administrative Report –  
RECEIVE AND FILE
- C-31) Proposed credentialing recommendations –  
APPROVE
- C-32) Proposed First Amendment to Kern Medical Surgery Center Bylaws of the Medical Staff to clarify the definition of current license to include a postgraduate training license issued by the Medical Board of California or the Osteopathic Medical Board of California, as applicable, to a physician-in-training, effective August 20, 2025 –  
APPROVE
- C-33) Proposed Single Site Agreement with Johnson & Johnson Health Care System Inc., an independent contractor, containing nonstandard terms and conditions, for purchase of joint reconstruction products from August 20, 2025 through August 19, 2027, in an amount estimated not to exceed \$1,000,000 –  
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

- C-34) Proposed ASC Apex Pricing Agreement with Boston Scientific Corporation, an independent contractor, containing nonstandard terms and conditions, for purchase of gastroenterology supplies from August 28, 2025 through August 27, 2028, in an amount estimated not to exceed \$315,250 –

APPROVE; AUTHORIZE CHAIRMAN TO SIGN

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

- 35) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) –
- 36) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(4)) Number of cases: One (1) Based on existing facts and circumstances, the Board of Governors has decided to initiate or is deciding whether to initiate litigation –
- 37) 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) –
- 38) PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) –

RECONVENE FROM CLOSED SESSION

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

ADJOURN TO WEDNESDAY, SEPTEMBER 17, 2025 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

29) CLAIMS AND LAWSUITS FILED AS OF JULY 31, 2025 –  
RECEIVE AND FILE

- A) Claim in the matter of Rhonda Mae Dorough
- B) Summons and Complaint in the matter of John Aguilar, Jr., an individual, Plaintiff, v. Kern Medical Owned and Operated by Kern County Hospital Authority, a Designated Public Hospital; DOES 1-50, inclusive, Defendant(s), Kern County Superior Court Case No. BCV-25-102623
- C) Summons and Complaint in the matter of Rosa Monarrez, Martha Flores, Patricia Amador, and Rafael Fernandez, Plaintiffs, v. Kern County Hospital Authority; DOES 1 through 50, inclusive, Defendants, Kern County Superior Court Case No. BCV-25-102679
- D) Claim in the matter of Deandre McThrow
- E) Summons and Complaint in the matter of Harmon Bagallon, Plaintiff, v. Kern County Hospital Authority; DOES 1 through 20, inclusive, Defendants, Kern County Superior Court Case No. BCV-25-102678
- F) Summons and Complaint in the matter of Yulibeth Adriana Gomez Zarate, Plaintiff, v. Kern County Hospital Authority; McMurtrey Lince, Inc., DOES 1 through 50, inclusive, Defendants, Kern County Superior Court Case No. BCV-25-102766



**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, July 16, 2025

11:30 A.M.

**BOARD RECONVENED:**

Board Members: Anderson, Berjis, McLaughlin, Merz, Pelz, Pollard, Stout  
Roll Call: 5 Present; 2 Absent - Merz, Pollard

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

**NOTE: DIRECTOR MERZ JOINED THE MEETING AFTER THE VOTE ON THE CONSENT AGENDA AND PRIOR TO ITEM 1**

**NOTE: CHIEF EXECUTIVE OFFICER SCOTT THYGERSON LEFT THE ROOM PRIOR TO THE VOTE ON THE CONSENT AGENDA AND DID NOT RETURN UNTIL AFTER THE VOTE ON THE CONSENT AGENDA**

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)) –

**DIRECTOR BERJIS THANKED THE BOARD FOR ATTENDING THE GRADUATE MEDICAL EDUCATION RECOGNITION DINNER AND REPORTED THE START OF THE LARGEST CLASS OF INCOMING RESIDENTS AND FELLOWS AT KERN MEDICAL CENTER ON JULY 1, 2025**

ITEMS FOR CONSIDERATION

- CA  
3) Minutes for the Kern County Hospital Authority Board of Governors special meeting on June 18, 2025 –  
APPROVED  
**Anderson-Berjis: 5 Ayes; 2 Absent - Merz, Pollard**
- CA  
4) Proposed Rental Service Agreement with Mission Linen Supply, an independent contractor, for linen and laundry services for a term of five years from July 30, 2025 through July 31, 2030, in an amount not to exceed \$650,000 –  
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 073-2025  
**Anderson-Berjis: 5 Ayes; 2 Absent - Merz, Pollard**
- CA  
5) Proposed Agreement with Ken Dunbar and Sons, Inc., an independent contractor, for construction management services for the Valley Fever Institute, in an amount not to exceed \$1,480,759, effective July 16, 2025, until project completion –  
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 074-2025  
**Anderson-Berjis: 5 Ayes; 2 Absent - Merz, Pollard**



CA

- 6) Proposed Addendum to Agreement 03377421.0 and Price Quote with GE Healthcare Technologies, Inc., and independent contractor, for purchase of a maintenance kit for anesthesia machines in an amount not to exceed \$12,813, plus applicable fees and taxes, effective July 16, 2025 –  
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 075-2025  
**Anderson-Berjis: 5 Ayes; 2 Absent - Merz, Pollard**

CA

- 7) Proposed Agreement with MMA Securities LLC, an independent contractor, for retirement plan advisory and consulting services for the Kern County Hospital Authority Defined Contribution Plan for Physician Employees for a term of three years from July 16, 2025 through July 15, 2028, in an amount not to exceed \$180,000 –  
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 076-2025  
**Anderson-Berjis: 5 Ayes; 2 Absent - Merz, Pollard**

CA

- 8) Proposed Ordering Document CPQ-3778502, with Oracle America, Inc., an independent contractor, containing nonstandard terms and conditions, for purchase of tissue and implant tracking software, installation, and maintenance for a term of five years from July 16, 2025 through July 15, 2030, in an amount not to exceed \$101,338 –  
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 077-2025  
**Anderson-Berjis: 5 Ayes; 2 Absent - Merz, Pollard**

CA

- 9) Proposed Amendment No. 4 to Agreement 099-2023 with Alton Scott Thygerson, a contract employee, for Chief Executive Officer services for the period July 19, 2023 through July 19, 2026, for voluntary deferral of automatic salary adjustment and annual incentive compensation until 2026 –  
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 078-2025  
**Anderson-Berjis: 5 Ayes; 2 Absent - Merz, Pollard**

CA

- 10) Proposed election of officers to the Kern County Hospital Authority Board of Governors –  
DIRECTOR MCLAUGHLIN ELECTED CHAIRMAN, DIRECTOR BERJIS ELECTED VICE CHAIRMAN, AND DIRECTOR PELZ ELECTED SECRETARY/TREASURER  
**Anderson-Berjis: 5 Ayes; 2 Absent - Merz, Pollard**

CA

- 11) Report on upcoming anticipated retroactive agreements –  
RECEIVED AND FILED  
**Anderson-Berjis: 5 Ayes; 2 Absent - Merz, Pollard**

- 12) Proposed retroactive Amendment No. 3 to Agreement 26121 with Bryant A. Nachtigall, D.P.M., a contract employee, for professional medical services in the Department of Surgery for the period July 17, 2021 through December 31, 2025, increasing the maximum payable by \$1,365,750, from \$1,800,000 to \$3,165,750, to cover the term, effective September 1, 2024 –  
VICE PRESIDENT, STRATEGIC DEVELOPMENT NATALEE GARRETT HEARD REGARDING THE RETROACTIVITY OF ITEM 12; CHIEF EXECUTIVE OFFICER SCOTT THYGERSON HEARD REGARDING EFFORTS TO MITIGATE EXCEEDING CONTRACT MAXIMUM PAYABLES; APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 079-2025  
**Berjis-Anderson: 6 Ayes; 1 Absent - Pollard**

- 13) Proposed retroactive Amendment No. 2 to Agreement 100-2023 with Mohammed A.S. Molla, M.D., a contract employee, for professional medical and administrative services in the Department of Psychiatry for the period August 16, 2023 through August 15, 2028, increasing the max payable by \$100,000, from \$3,000,000 to \$3,100,000, to cover the term, effective July 1, 2025 –  
VICE PRESIDENT, STRATEGIC DEVELOPMENT NATALEE GARRETT HEARD REGARDING THE RETROACTIVITY OF ITEM 13; APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 080-2025  
**Pelz-Berjis: 6 Ayes; 1 Absent - Pollard**
- 14) Kern County Hospital Authority Chief Financial Officer report –  
CHIEF FINANCIAL OFFICER ANDREW CANTU HEARD; DIRECTOR BERJIS ASKED HOW KERN MEDICAL CENTER PLANS TO MANAGER THE INFLUX OF UNINSURED WITH THE UPCOMING FEDERAL GOVERNMENT CHANGES TO MEDICAID; CHIEF EXECUTIVE OFFICER SCOTT THYGERSON REPONDED; RECEIVED AND FILED  
**Merz-Anderson: 6 Ayes; 1 Absent - Pollard**
- 15) Kern County Hospital Authority Chief Executive Officer report –  
CHIEF EXECUTIVE OFFICER SCOTT THYGERSON HEARD; RECEIVED AND FILED  
**Pelz-Stout: 6 Ayes; 1 Absent - Pollard**
- CA  
16) Monthly report on What's Happening at Kern Medical Center –  
RECEIVED AND FILED  
**Anderson-Berjis: 5 Ayes; 2 Absent - Merz, Pollard**
- CA  
17) Miscellaneous Correspondence as of June 30, 2025 –  
RECEIVED AND FILED  
**Anderson-Berjis: 5 Ayes; 2 Absent - Merz, Pollard**
- CA  
18) Claims and Lawsuits Filed as of June 30, 2025 –  
RECEIVED AND FILED –  
**Anderson-Berjis: 5 Ayes; 2 Absent - Merz, Pollard**

ADJOURNED TO CLOSED SESSION

**Berjis-Stout**

CLOSED SESSION

- 19) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW
- 20) Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW
- 21) CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Melissa Perry, individually and as successor-in-interest of Decedent Kimberly Morrissey-Scalia, Plaintiff, et al., v. County of Kern, a municipal corporation, Kern County Hospital Authority, et al., United States District Court, Eastern District of California, Case No. 1:17-cv-01097-KES-CDB – SEE RESULTS BELOW

- 22) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(4)) Number of cases: One (1) Based on existing facts and circumstances, the Board of Governors has decided to initiate or is deciding whether to initiate litigation – SEE RESULTS BELOW
- 23) 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
- 24) PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) – SEE RESULTS BELOW
- 25) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2)) Number of cases: One (1) Significant exposure to litigation in the opinion of the Board of Governors on the advice of legal counsel, based on: Facts and circumstances that might result in litigation against the Authority but which the Authority believes are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed (Government Code Section 54956.9(e)(1)) – SEE RESULTS BELOW

RECONVENED FROM CLOSED SESSION

**Berjis-Pelz**

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Item 19 concerning Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT (MOTION BY DIRECTOR ANDERSON, SECOND BY DIRECTOR PELZ; 1 ABSENT - DIRECTOR POLLARD), THE BOARD APPROVED ALL PRACTITIONERS RECOMMENDED FOR INITIAL APPOINTMENT, REAPPOINTMENT, RELEASE OF PROCTORING, REQUEST FOR CHANGE IN STAFF STATUS, VOLUNTARY RESIGNATION OF PRIVILEGES, AND AUTOMATIC TERMINATION OF PRIVILEGES; NO OTHER REPORTABLE ACTION TAKEN

Item 20 concerning Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) – HEARD; NO REPORTABLE ACTION TAKEN

Item 21 concerning CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Melissa Perry, individually and as successor-in-interest of Decedent Kimberly Morrissey-Scalia, Plaintiff, et al., v. County of Kern, a municipal corporation, Kern County Hospital Authority, et al., United States District Court, Eastern District of California, Case No. 1:17-cv-01097-KES-CDB – HEARD; NO REPORTABLE ACTION TAKEN

Item 22 concerning CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(4)) Number of cases: One (1) Based on existing facts and circumstances, the Board of Governors has decided to initiate or is deciding whether to initiate litigation – HEARD; NO REPORTABLE ACTION TAKEN

Item 23 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 24 concerning PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) – HEARD; NO REPORTABLE ACTION TAKEN

Item 25 concerning CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2)) Number of cases: One (1) Significant exposure to litigation in the opinion of the Board of Governors on the advice of legal counsel, based on: Facts and circumstances that might result in litigation against the Authority but which the Authority believes are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed (Government Code Section 54956.9(e)(1)) – HEARD; NO REPORTABLE ACTION TAKEN

ADJOURNED TO WEDNESDAY, AUGUST 20, 2025 AT 11:30 A.M.

**Pelz**

/s/ Mona A. Allen  
Authority Board Coordinator

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



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Curlin Non-Factory Recertification Training Program Agreement

**Recommended Action:** Approve; Authorize the Chairman to sign

**Summary:**

Kern Medical requests your Board approve the proposed Curlin Non-Factory Recertification Training Program Agreement with Moog Medical to provide training to Kern Medical Biomed Technicians on performing preventive maintenance on Ambulatory IV pumps in an amount not to exceed \$7,500.00. The Agreement will be effective until the training sessions are complete.

Counsel is unable to approve the terms as to form because they do not include indemnification for the Authority. Despite negotiations, counsel was unsuccessful in negotiating these terms.

Therefore, it is recommended that your Board approve the proposed Curlin Non-Factory Recertification Training Program Agreement with Moog Medical, in an amount not to exceed \$7,500.00, and authorize the Chairman to sign.

**CURLIN NON-FACTORY RECERTIFICATION TECHNICAL TRAINING PROGRAM AGREEMENT**

This Agreement effective on the 3rd day of February 2025 ("Effective Date") is made by and between Curlin Medical Inc. a wholly owned subsidiary of Moog Inc. and patent Company of Zevex Inc. with a place of doing business at 4314 Zevex Park Lane, Salt Lake City, Utah 84123 (collectively referred to herein as "Curlin") and Kern Medical with a place of doing business at 1700 Mount Vernon Avenue, Bakersfield CA 93306 ("Participant Sponsor").

WHEREAS, Curlin is the owner of a medical infusion pump business and its associated technology and other intellectually property; and

WHEREAS, Participant Sponsor desires to sponsor certain of its employees to be certified by Curlin to perform field repair and recertification services on Curlin's ambulatory infusion pumps ("Recertification Services"); and

WHEREAS, Curlin is willing to train Participant Sponsor's employees and provide Participant Sponsor with the technology and training materials (the "Training") necessary to allow Participant Sponsor's employees to provide the Recertification Services (collectively referred to herein as "Licensed NFR" as more fully defined in the License Agreement attached hereto as Exhibit A ["License Agreement"]) and incorporated herein by this reference) on the following terms and conditions.

NOW THEREFORE, Curlin and Participant Sponsor agree (the "Agreement") as follows:

1. **License.** The "Licensed NFR" (as more specifically defined in Exhibit A) shall be licensed to Participant Sponsor in accordance with the Recertification Training Repair Manuals and Product License Agreement attached hereto as Exhibit A
2. **Curlin Pump Products** shall mean the Curlin CMS6000 and PainSmart Infusion pumps ("Pump Products").
3. **Unit shall mean a Pump Product ("Unit")**
4. **Fees and Expenses.** The Non-Factory Training and License Royalty Fees (collectively "Fees") for Participant Sponsor to obtain the training, Licensed NFR and certification of its employees is detailed on Exhibit B ("Non-Factory Recertification Training Fee and Royalty Schedule"). Fees will be due net thirty (30) days from date of Curlin's invoice. Training Fees must be paid in full by beginning of the Training. In addition, Participant Sponsor will reimburse Curlin for any out-of-pocket travel, meal and lodging costs ("Expenses") incurred by Curlin to deliver the Training.
  - a. Participant Sponsor **shall** reimburse Curlin for all necessary and reasonable actual costs or travel expenses incurred on behalf of Participant Sponsor. If the reimbursable expenses include travel, the travel expenses must be reasonable and necessary, approved in advance by the Participant Sponsor, and shall not exceed the following 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.
5. **Restrictions on Use.** Participant Sponsor shall limit the use of Licensed NFR only to service the pumps owned by Participant Sponsor. Participant Sponsor agrees that its employees may only be certified by Curlin and that Participant Sponsor will not use the Licensed NFR on pumps not owned by Participant Sponsor.
6. **Territory.** Participant Sponsor agrees that the performance of Recertification Services provided and the repair of Pump Products by Participant Sponsor employees shall be limited Pump Products located in the United States of America only.



7. **Third Party Service Provider.** If the Participant Sponsor is a Curlin approved third-party service provider or Curlin business partner (collectively "Third Party Service Provider"), Participant Sponsor agrees that its employees are only permitted to service pumps owned by customers that have completed the Training on the Pump Products. Equipment distribution, sales, and service tracing documentation must be provided to Curlin by the Third- Party Service Provider at the point of transaction or as requested by Curlin
8. **Compliance Requirements.** Participant Sponsor represents and warrants to Curlin that all of its employees in performing the Recertification Services, shall follow the directions for use provided by Curlin, and comply with all Curlin requirements, including the following:
  - a. Participant and Participant's Sponsor shall comply with the Joint Commission ("TJC"), the Center for Medicaid and Medicare Services ("CMS") and any other applicable statutory or regulatory requirements for maintenance of medical equipment;
  - b. Participant Sponsor shall register and obtain an authorization number from Curlin to install the software and only trained Participant Sponsor employees will register and obtain an authorization number from Curlin to install the software on Pump Products;
  - c. Only qualified biomedical technicians experienced with infusion pumps shall certify the Pump Products;
  - d. Participant Sponsor shall provide continuing education and technical training to employees performing Recertification Services to assure that competency levels are maintained. Education shall be based on Curlin publications that include but is not limited to: Licensed NFR, changes or upgrades to procedures and equipment, notification of inherent problems, product alerts, or recalls that may be identified and published by Curlin at Curlin's sole discretion;
  - e. Participant Sponsor shall maintain a Pump Products history record for each Unit serviced and provide Curlin with a signed copy of the recertification traveler (350-9256), or equivalent service history documentation from the Computerized Maintenance Management System (CMMS) in use by Participant Sponsor. The document must be filled out accurately and completely per procedure 350-9023 as provided in the Training. This documentation must also comply with ISO 13485 standards;
  - f. Participant Sponsor shall perform preventative maintenance in accordance with all applicable local, state and federal requirements, including performing periodic calibration of the testing equipment (i.e., scales, timers, and gauges) used in certifying the Pump Products;
  - g. Participant and Participant Sponsor agree to be subject to random quality assurance audits, upon reasonable notice, to be performed by Curlin service and quality personnel to ensure proper documentation, service quality and techniques, and knowledge retention;
  - h. Participant Sponsors agree that certified employees are subject to recertification at an interval not to exceed 24 months ("Interval") from date of last certification/re-certification, at which time certification shall expire; and
  - i. Participant Sponsors agree that if certified employees are not recertified within the Interval, the certified employee certification shall be revoked.
9. **Certification Ownership.** Participant Sponsor acknowledges that the certification provided by Curlin belongs to the Participant Sponsor. If an individual employee leaves Participant Sponsor's employ, then Participant Sponsor agrees to notify Curlin within thirty (30) days of departure. Such employee will then need to become recertified under his or her new employer to continue performing Recertification Services on the Pump Products.
10. **Indemnification.** Participant Sponsor shall indemnify, defend and hold Curlin and Curlin's officers,

employees, agents, representatives, parent, affiliates and their respective successors and assigns (collectively, "Indemnified Person(s)") harmless from and against any loss, liability, damages (including, but not limited to, any direct, incidental, consequential and special damages), claim, compensation (including, but not limited to, goodwill indemnity payments and claims for lost profits), costs, demands, fees, judicial order, settlement Agreement, taxes, expenses (including reasonable attorneys' fees and all other costs of investigation and litigation), and other liabilities, including without limitation damages in respect to: 1) bodily injury, death or property damage; 2) failure(s) to perform its obligations under this Agreement; and/or 3) breaches of warranty but each and only to the extent resulting from the fault, negligence or willful misconduct of Participant Sponsor in its performance under this Agreement.

11. **Insurance.** Participant Sponsor agrees that it shall secure and carry as a minimum the following insurance covering its employees performing the Recertification Services under this Agreement: (i) Workers' Compensation and Employer's Liability Insurance in an amount sufficient by virtue of the laws of the country, state, or other governmental subdivision in which the work or any portion of the work is performed; (ii) General Liability Insurance in which the limit of liability for injuries, including accidental death, shall be \$5,000,000 for any one occurrence; (iii) Automobile Liability Insurance in which the limit of liability for property damage and personal injury shall be \$1,000,000 for any one occurrence; (iv) Professional Liability Insurance subject to a limit of \$1,000,000; (v) Cyber & Privacy Liability insurance covering notification costs, credit monitoring and correction, call center and defense costs, regulatory fines and penalties and fines and penalties, with limits of at least \$10 Million per occurrence and (vi) Medical Products Liability insurance covering bodily injury and property damage arising out of the repair and recertification of medical products and devices, with limits of at least \$10 Million per occurrence. All such insurance with exception of item (i) shall name Curlin as additional insured and be issued by companies authorized to do business under the laws of the applicable governmental authority for the place in which all or part of the Services are to be performed, shall be in form satisfactory to Curlin. All such insurance policies will be primary in the event of a loss arising out of the performance of work. Prior to commencement of Services under this Agreement, Participant/Participant shall submit a certificate of insurance in confirmation of having secured the required insurance. All certificates of insurance shall name Buyer/Curlin as the Certificate Holder and be sent to [riskmanagement@moog.com](mailto:riskmanagement@moog.com).

Participant Sponsor self-insures pursuant to California Government § 990. Evidence of self-insurance shall satisfy all insurance requirements herein.

12. **For Cause Audits.** Curlin shall have the right to audit Participant's Sponsor's NFR service standards in the field or at Curlin's location at any time with or without advanced notice to Participant Sponsor where service deficiencies have been found or notified to Curlin by end users. If Curlin identifies a service deficiency during such audit, it shall notify Participant Sponsor of such deficiency in writing. Within 15 days of receipt of such notice, Participant Sponsor shall provide Curlin with a remedial action plan including milestone dates on how it is planning to cure the service deficiency and shall refund to Curlin each and all of its costs to perform such audit. If after implementation of the remedial action plan, further or new service deficiencies are confirmed by Curlin, Curlin shall have the right to terminate this Agreement and the License Agreement immediately without opportunity to cure upon Curlin's prior written notice to Participant Sponsor.
13. **Termination.** Curlin may terminate this Agreement if: 1) Participant Sponsor breaches a term of this Agreement and fails to cure it ten (10) days after Curlin has provided Participant Sponsor written notice of such breach; or 2) the License Agreement attached hereto as Exhibit A terminates in accordance with its terms.

- a. **Effect of Termination.** If either the Agreement or the License Agreement is terminated the both are terminated effective upon the first termination.
  - b. **Termination without Cause.** Either Party may terminate this Agreement upon providing 30 days' notice.
14. **Disputes.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of California, United States of America, excluding its conflicts of law principles, except for any portion hereof that is governed solely by Federal law, in which case such law shall govern. The Parties hereby irrevocably submit to the exclusive personal jurisdiction of the state and federal courts of the State of California, United States of America, for the purposes of any claim, action or proceeding brought pursuant to or arising from this Agreement.
15. **Independent Contractor.** Participant Sponsor's relationship to Curlin shall be that of an independent contractor and this Agreement does not create an agency, partnership, or joint venture relationship between Participant Sponsor and Curlin or Curlin and Participant Sponsor personnel. Participant Sponsor personnel engaged in performing Recertification Services under this Agreement shall not be deemed employees of Participant Sponsor and shall not for any purposes be considered employees or agents of Curlin. Participant Sponsor assumes full responsibility for the actions and supervision of such personnel while engaged in Recertification Services under this Agreement. Curlin assumes no liability for Participant personnel nor Participant Sponsor.
16. **Entire Agreement.** Participant and Participant Sponsor acknowledge that they have read this Agreement, understand it, and agrees to be bound by its terms and conditions. The Parties also agrees that this Agreement along with the Nondisclosure Agreement between the Parties that is made part of and incorporated by reference executed between the Parties and License Agreement is the complete and exclusive statement of the Agreement between the parties, and supersedes any proposal, contemporaneous, or prior Agreement, oral or written, and any other communication between the parties relating to the subject matter of this Agreement. Any terms of this Agreement that by their nature survive termination or expiration hereof shall survive in accordance with their terms.
17. **Non-Disclosure for Proprietary Information**

Participant Sponsor shall maintain the confidentiality of all Proprietary Information of Curlin. Proprietary Information shall mean any information of any form or characteristic designated by Curlin, verbally or by writing, to be proprietary and/or confidential, or is otherwise known to the Participant Sponsor as Proprietary Information at the time of its disclosure. Proprietary Information shall include, but is not limited to, specifications, designs, process information, technical data, marketing and business plans, customers' names, product road maps, pricing, prototypes, toolkits, software, trade secrets, and/or intellectual property that Curlin considers to be protected by applicable laws. Proprietary Information shall include analyses, notes, abstracts, summaries or other documents prepared by Participant Sponsor using the Proprietary Information of Curlin.

The Participant Sponsor shall use Proprietary Information of Curlin only for the internal limited purpose of this Agreement and not for any other purpose. Participant Sponsor shall not alter, modify, decompile, disassemble, reverse engineer, translate or create derivative works from Curlin's Proprietary Information. Participant Sponsor shall not disclose, in whole or in part, by any means whatsoever, any Proprietary Information provided by Curlin to any third party without the express prior written consent of Curlin. Participant Sponsor shall limit internal disclosure of Curlin's Proprietary Information to only those employees with a need to know such information and who are bound by confidentiality obligations at least as restrictive as those in this Agreement. Participant Sponsor shall utilize the same degree of care to preserve and protect Curlin's

Proprietary Information from disclosure, and otherwise limit access, as it uses to protect its own Proprietary Information, which degree of care will not be less than reasonable care.

Proprietary Information disclosed under this Agreement shall be and remain the property of the Curlin. Any disclosure of Proprietary Information under this Agreement shall not constitute prior publication or public use regarding Patent eligibility. Nothing in this Agreement shall be deemed, either expressly or by limitation, to convey any right or license, or be construed as creating any kind of partnership or agency between the Parties nor may Participant Sponsor assign or delegate any obligation under this Agreement without the prior written consent of Curlin. Curlin is not obligated to disclose Proprietary Information by reason of this Agreement. No warranty is made regarding the accuracy of Proprietary Information provided to the Participant Sponsor.

Upon termination or expiration, all Proprietary Information shall be returned to Curlin or destroyed to the satisfaction of Curlin to the extent that the Proprietary Information cannot be placed back into use. Notwithstanding the foregoing, all Proprietary Information that constitutes trade secret under applicable law shall be safeguarded by Participant Sponsor by this Agreement in perpetuity for so long as such Proprietary Information remains a trade secret under applicable law.

Parties acknowledge that Participant Sponsor is public entity subject to public disclosure laws. Nothing in this Agreement shall be construed to prevent Participant Sponsor from disclosing non-Proprietary information .. In the event that Participant Sponsor is required to disclose Proprietary Information by any legal order, Participant Sponsor shall provide Curlin with immediate written notice of same so that Curlin may have the opportunity to seek an appropriate protective order. If Curlin does not obtain a protective order, Participant Sponsor shall disclose only such part of the Proprietary Information as is lawfully required.

**18. Insurance.** Curlin to provide proof of insurance of the following types of insurance coverages

- a. Workers' Compensation Insurance in accordance with the provisions of section 3700 of the California Labor Code. This policy shall include employer's liability insurance with limits of one million dollars (\$1,000,000).
- b. Commercial General Liability Insurance in the amount of one million dollars (\$1,000,000) each occurrence and two million dollars (\$2,000,000) aggregate.
- c. Medical Products Liability insurance covering bodily injury and property damage with limits of \$10 Million per occurrence
- d. All insurance shall be issued by a company or companies admitted to do business in California and listed in the current "Best's Key Rating Guide" publication with a minimum rating of A-;VII. All insurance coverage requirements shall be maintained by CURLIN until completion of all of Curlin's obligations to PARTICIPANT SPONSOR, and shall not be reduced, modified or canceled without 30 days prior written notice to the Chief Executive Officer ("CEO").

**19. Access to Books and Records.** Until the expiration of four (4) years after the expiration or termination of this Agreement, CURLIN 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 CURLIN

provided under this Agreement . CURLIN further agrees that if it carries out any of its duties under this Agreement through a subcontract with a value or cost of ten thousand dollars (\$10,000) or more over a twelve (12) month period with a related organization, that such subcontract shall contain a clause to the effect that until the expiration of four (4) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request of the Secretary or the Comptroller General, or any of their duly authorized representatives, the subcontract, books, documents and records of such organization that are necessary to verify the nature and extent of such costs.

20. **Audits, Inspection and Retention of Records.** CURLIN agrees to maintain and make available to PARTICIPANT SPONSOR, accurate books and records relative to all its activities under this Agreement. CURLIN shall permit PARTICIPANT SPONSOR, upon reasonable advance notice, to audit, examine and make excerpts and transcripts from such records, and to conduct audits or reviews of all invoices, materials, records or personnel or other data related to all other matters covered by this Agreement. CURLIN 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 Agreement, 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 Agreement shall have the same rights conferred upon PARTICIPANT SPONSOR herein.

21. **Health Insurance Portability and Accountability Act-HITECH.** CURLIN understands that PARTICIPANT SPONSOR is a Covered Entity that provides medical and mental health services and that I have no authorization to obtain access to any Protected Health Information ("PHI") in any form. If, in the course of my services, I see or hear 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 PARTICIPANT SPONSOR. The privacy and confidentiality of PARTICIPANT SPONSOR 's patients are protected by state laws and regulations and Federal HIPAA Regulations. If appropriate CURLIN may execute a business associate agreement with PARTICIPANT SPONSOR to supplement this Agreement if requested, subject to the Parties' agreement upon terms and conditions of the business associate agreement.

22. **Disqualified Persons.** CURLIN shall not knowingly provide 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 PARTICIPANT SPONSOR ), (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. CURLIN 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"), CURLIN shall promptly notify PARTICIPANT SPONSOR

For Curlin Medical.

For Sponsor: **[Kern Medical]**

DocuSigned by:  
By: Joshua Gans  
Name: Joshua Gans  
Title: North America Service Director

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



## **Exhibit A**

### **Recertification Training Repair Manuals and Product Name License Agreement**

- I. This "License Agreement" is made and entered into by and between:  
 Licensor: Curlin Medical Inc. a wholly owned subsidiary of Moog Inc. and patent Company of Zevox Inc. with a place of doing business at 4314 Zevox Park Lane, Salt Lake City, Utah 84123 (collectively referred to herein as "Licensor")  
 Licensee: Participant Sponsor Kern Medical with a place of doing business at 1700 Mount Vernon Avenue, Bakersfield, CA 93306 ("Licensee").

2. **Definitions**

"Licensed NFR" shall comprise of the following schedule of documents:

Description	Document No.
Recertification traveler	350-9041
NFR Manual	350-9023
Training Kit - Repair	360-9098
Training Kit - PM	350-1107
NFR Installer (USB Stick)	
Other documents such as: notifications of inherent problems, product alerts, or recalls as published by Licensor	

Revisions to these documents may be made at any time solely at the discretion of Licensor.

"License Services" shall mean the Recertification of Curlin CMS or Painsmart infusion pumps as provided for in "Non Factory Recertification Technical Training Program Compliance Requirement Agreement". Such Agreement entered into by the parties are made part of this License Agreement and is incorporated by reference.

"Provided Services" shall mean those services related to the overhaul, repair and recertification of Curlin CMS pumps as owned operated or leased by Licensee. This Provided Service shall not extend to commercial overhaul, repair and recertification of Curlin CMS pumps as a commercial service competitive with Curlin Medical or other Curlin Medical Licensees.

"Trademarks" shall mean registered trademarks owned by Curlin Medical Inc, In particular 'Curlin" and "Pain Smart".

"Royalty-Bearing" shall mean fees and royalties associated with either Option A or Option Bin the Non-Factory Fee and Royalty Schedule contained within Exhibit B of the Curlin Non-Factory Recertification Training Agreement.

"Effective Date" shall mean the later of the signature date upon which this License Agreement becomes effective.

"Territory" shall mean the United States of America.

### **3. Know-How and Copyright License.**

- a. Limited License.** Subject to the terms of this License Agreement, Licensors hereby grants to Licensee, during the Term and in the Territory, a non-exclusive, non-sublicensable, non-transferable and Royalty Bearing license to use the Licensed NFR solely in connection with performing the Licensed Services in the Territory. Licensee may not sublicense or otherwise extend the rights provided in this Section 3(a). Licensee shall not use the Licensed NFR sin connection with goods or services other than the Licensed Services. Licensee has no right to use the Licensed NFR in any country or territory not specifically listed as being in the . Territory.
- b. Copies.** Licensors shall make available to Licensee at Licensee's Copies of the Licensed NFR necessary to practice the Licensed Know-How and provide the Licensed Services. During the duration of the License Agreement and upon reasonable written request from Licensee, Licensors shall provide or authorize additional copies of the Licensed NFR as reasonably needed. "Copies" shall mean electronic or hard copies of NFR Licensed materials. Further, Licensee is authorized to maintain Copies on Licensee's local or off premises servers so long as Licensee maintains control of the copying, distribution and access of NFR Licensed Materials to only those employees that have an active NFR certification or other employee who have a demonstrated need to know, such as upper management and or legal counsel. When there is a question of access, or need to know, Licensee shall make a written request to Licensors for permission or clarification.
- c. Derivative Works.** Without limiting any other provisions of this License Agreement, Licensee hereby transfers and assigns to Licensors all right, title and interest in and to any and all (i) derivative works of the Licensed NFR, (ii) improvements or modifications in the Licensed NFR, and/or (iii) improvements or modifications in Licensors's infusion pumps and/or the maintenance, repair, support and overhaul of Licensors's infusion pumps that Licensee may invent, create, develop, author, produce, fix, design, conceive of or reduce to practice resulting from access or use of any Licensed NFR and/or the Licensed Services ("Derivative Licensed NFR").
- d. Reservation of Rights.** This License Agreement and the Copyright License granted herein shall not be construed in any way to be an assignment, conveyance, or sale of any interest in any of the Licensed NFR. All rights with respect to the Licensed NFR that are not expressly granted to Licensee herein are reserved to Licensors. Licensee shall not at any time knowingly do or permit to be done by any person or entity any act or thing which Licensee

knows or ought reasonably to know would, materially and adversely affect the rights of Licensors in and to the Licensed NFR, or any registrations therefor, or which may reduce the value of such Licensed NFR. Except as expressly provided in this License Agreement, Licensee has no other rights in or to the Licensed NFR, and Licensee shall not seek to obtain any Intellectual Property registration or other right in or to the Licensed NFR without Licensors' express written consent. The Copyright License granted herein with respect to the Licensed NFR is personal to Licensee and shall not be sold, assigned, sublicensed, divided, mortgaged, or transferred by Licensee either voluntarily or by operation of law without the prior written consent of Licensors, which consent may be granted or withheld at the sole discretion of Licensors.

- e. **Acknowledgement of Ownership and Validity.** Licensee acknowledges that Licensors is the owner of all right, title, and interest in and to the Licensed NFR, including without limitation all copyrights. Licensee shall not challenge the validity of Licensors' ownership of any of the Licensed NFR and/or copyrights in the Licensed NFR.
- f. **Restrictions.** Licensee shall not copy, disclose or distribute to any third party any of the Licensed NFR, in whole or in part. The Licensed NFR comprise Confidential Information of Licensors and are subject to the confidentiality provisions of "Nondisclosure Agreement" entered into between the parties made part of and incorporated by reference into this License Agreement.

#### 4. **Trademark Acceptable Use Guidelines.**

- a. **Limited License.** Subject to the terms of this License Agreement, Licensors hereby grants to Licensee, during the Term and in the Territory, a Royalty-Bearing, non-exclusive, non-sublicensable, non-rivalrous, and nontransferable license to use, reproduce, and display the Trademarks solely in connection with the Licensed Services and/or Delivered Services in print and online media (the "**Trademark License**") within the Territory. The Trademark License permits Licensee to use the Trademarks in print and electronic advertising, marketing and promotional materials (the "**Marketing Materials**"). Licensee may not sublicense or otherwise extend the rights provided in this Section 4(a). Licensee shall not use the Trademarks on or in connection with goods or services other than the Licensed Services and Delivered Services. Licensee has no right to use the Trademarks in any country or territory not specifically listed as being in the Territory.
- b. **Reservation of Rights.** This License Agreement and the Trademark License granted herein shall not be construed in any way to be an assignment, conveyance, or sale of any interest in any of the Trademarks. All rights with respect to the Trademarks that are not expressly granted to Licensee herein are reserved to Licensors. Licensee shall not at any time knowingly do or permit to be done by any person or entity any act or thing which Licensee knows or ought reasonably to know would, materially and adversely affect the rights of Licensors in and to the Trademarks, or any registrations therefor, or which may reduce the value of such Trademarks.

- c. **Attribution.** Licensee shall use the federal trademark notice of registration, "®," or other appropriate notice as specified by Licensor, in connection with Licensee's use of the Trademarks. Every use of the Trademarks shall be accompanied by an attribution approved by Licensor in writing.
- (i) Curlin is a registered trademark of Curlin Medical Inc.
  - (ii) Painsmart is a registered Trademark of Curlin Medical Inc.
- d. **Restrictions.**
- (i) **No Combination.** Licensee shall not use any of the Trademarks in combination with any name, mark, word (in English or any other language), symbol, domain name, email address, letter, or design in any manner that could create a joint, composite, or combination trademark.
  - (iii) **No Disparagement, Tarnishment or Dilution; No Generic or Descriptive Use.** Licensee shall not use the Trademarks in a manner that disparages, dilutes, or would tarnish the reputation or goodwill of Licensor and its association with such marks. Licensee shall not use the Trademarks in a descriptive or generic manner.
  - (iv) **No Prohibited Use.** Without limiting any other provisions of this License Agreement, Licensee will not use the Trademarks for or in connection with any Prohibited Use.
  - (v) **Unauthorized Trademark Use.** Licensee is not authorized to use the Curlin or the Painsmart Trademarks except as provided for by law. Licensee shall make no statement written public statements, electronic or otherwise to the effect as being directly or indirectly authorized or endorsed by either Curlin Medical Inc, or Moog Inc. (Curlin Medical Inc. parent company) as related to Licensed Services or Delivered Services.
  - (vi) **Unauthorized Digital Content and Product Depiction.** Licensee shall not create any actual or stylized images that includes, but is not limited to, existing photographs, images scraped from the internet, images obtained through licensing entities, and/or new photographs or images of the Curlin products, otherwise defined as "Curlin Digital Content". Licensee shall not use any Curlin Digital Content in any product depiction or product placement with respect to other products or brands ("Licensor Product Depiction". Licensee shall not create transformative works based solely or in part on Licensed NFR, Derivative NFR, or Curlin Digital Content ("transformative Works"). In the event that the Licensor and the Licensee desire to use Curlin Digital Content more broadly, Licensee may enter into a Digital Content and Product Depiction License Agreement with Licensor.
- e. **Press Releases and publicity rights.** With regard to press releases and other announcements about the Licensed Services and/or Provided Services in conjunction with the Trademarks, it is the Parties' intent that they shall co-ordinate with respect to the wording and timing of any such announcements. Licensee shall give Licensor, via the Licensor Contact, a draft of each

such press releases or announcement at least ten (10) business days in advance of its planned release, and thereafter keep the Licensor promptly informed of any changes to such draft. Licensee shall not release or issue any such press release or announcement without prior written consent of Licensor and shall make any changes requested by Licensor in Licensor's sole discretion.

- f. **General Brand Guidelines.** Licensee shall use the Trademarks in the exact form set forth provided in Appendix 1 attached hereto and shall not alter in any manner the Trademarks. Without limiting the foregoing and in addition to any other requirements set forth in this License Agreement, Licensee shall use the Trademarks in strict accordance with such brand guidelines as may be provided by Licensor to Licensee from time to time in writing to Licensee or set forth in **Schedule 1** attached hereto, as revised or amended by Licensor in Licensor's sole discretion from time to time ("**Brand Guidelines**").

**5. Term and Termination.**

- a. In the event the Curlin Non-Factory Recertification Technical Training Agreement is terminated, this License Agreement is terminated immediately.
- b. In the event that Licensee fails to maintain certification in accordance with the Recertification Requirements provided for in the NRF Manual Chapter 10, this license and all associated rights shall terminate.
- c. Licensor at Licensor's continence and discretion may terminate this license without cause upon 30 calendar written notice.
- d. In the event if the Licensee becomes insolvent, is the subject of dissolution or liquidation proceedings, or ceases to carry on business, this License Agreement terminates.
- e. Upon termination, Licensee shall:
  - (i) Licensee shall immediately discontinue all use of any and Licensed NFR, Trademarks, Derivative Licensed NFR and to the extent this any exist within Licensee possession Curlin Digital Content,
  - (ii) Licensee shall take all means necessary to delete, destroy, physically or electronically all Copies of Licensed NFR, Derivative Licensed NFR and/or Curlin Digital Content to destroy shall mean to be put beyond reasonable use or take all measures as Licensor directs, and provide Licensor written certification thereof. Licensee shall have a grace period of 30 calendar days from the termination event to either renew NFR certification or to request from Licensee an extension of time. Such extensions shall be granted as a matter of Licensor's discretion. In any event once all grace periods or extensions have been exhausted, Licensee shall make written certification to the destruction of Licensed NFR material.

- 5. **Survival.** Any provision of this License Agreement intended to survive termination or expiration shall survive termination or expiration, including but not limited to the provisions of: 3(c), 3(d), 3(e), 3(f), 4(b), and 4(d), 6(b), 6(d), 6(f), 6(g), 6(h).

- 6. **Indemnification.** Licensee shall indemnify, defend and hold Licensor and Licensor's officers, employees, agents, representatives, parent, affiliates and their respective successors and assigns (collectively, "Indemnified Person(s)") harmless from and against any loss, liability, damages (including, but not limited to, any direct, incidental, consequential and special damages), claim, compensation (including, but not limited to, goodwill indemnity payments and

claims for lost profits), costs, demands, fees, judicial order, settlement Agreement, taxes, expenses (including reasonable attorneys' fees and all other costs of investigation and litigation), and other liabilities, including without limitation damages in respect to any damage to or infringement on any proprietary right or property rights or based on any other claim, whether sounding in negligence, products liability, tort, breach of contract or any other statutory or common law cause of action, (collectively, "Liabilities") asserted against any Indemnified Person arising out of, attributable to, or in connection with, directly or indirectly, any unauthorized use by Licensee of Licensed NFR, Derivative Licensed NFR, of the Trademarks, Curlin Digital Content, Transformative Works, and/or Licensor Product Depictions.

7. **Disclaimer of Warranties and Limitation of Liability.** EXCEPT AS EXPRESSLY PROVIDED HEREIN, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, ALL SUCH WARRANTIES BEING EXPRESSLY DISCLAIMED. LICENSOR SHALL NOT BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WITH RESPECT TO ANY CLAIM ON ACCOUNT OF OR ARISING FROM THIS LICENSE AGREEMENT OR USE OF THE LICENSED NFR, DERIVATIVE LICENSED NFR, TRADEMARKS, CURLIN DIGITAL CONTENT, TRANSFORMATIVE WORKS, AND/OR LICENSOR PRODUCT DEPICTION.

8. **Miscellaneous.**

- a. **Headings.** The headings contained in this License Agreement are inserted for convenience only and do not constitute a part of this License Agreement.
- b. **Amendment and Modification; Waiver.** This License Agreement may only be amended, modified, or supplemented by an Agreement in writing, signed by each Party hereto. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. Except as otherwise set forth in this License Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this License Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.
- c. **Counterparts.** This License 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 instrument.
- d. **Severability.** The provisions of this License Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this License Agreement, or the application thereof to any person or any circumstance, is invalid or unenforceable, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision, and (b) the remainder of this License Agreement and the application of such provision to other persons or circumstances shall not be affected by such invalidity or unenforceability, nor



shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction

- e. **Entire Agreement.** This License Agreement represents the complete Agreement between Licensors and Licensee with respect to use of and rights to the Licensed NFR and Trademarks, Licensee Derivatives, as it relates to the use of and rights to the Licensed NFR and Trademarks and/or Licensee Derivatives, supersedes all prior Agreements, proposals, and other communications between them.
- f. **Further Assurances.** Each Party shall, upon the reasonable request of the other Party, promptly execute such documents and perform such acts as may be necessary to give full effect to the terms of this License Agreement.
- g. **Interpretation.** This License Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting an instrument or causing any instrument to be drafted.
- h. Any notice required or permitted to be given under this License Agreement shall be in writing and shall be sent by (1) certified mail, return receipt requested, (2) overnight mail, or (3) personal delivery to the address first listed above with respect to Licensee and to the Licensors Contact with respect to Licensors, or such other address as such Party shall specify for itself by notice to other Party pursuant to this Section.
- i. **No Third-Party Beneficiaries.** This License Agreement is for the sole benefit of the Parties hereto and their respective permitted licensees, successors and assigns and nothing herein, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this License Agreement.
- j. **Disputes.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Utah, United States of America, excluding its conflicts of law principles, except for any portion hereof that is governed solely by Federal law, in which case such law shall govern. The Parties hereby irrevocably submit to the exclusive personal jurisdiction of the state and federal courts of the State of Utah, United States of America, for the purposes of any claim, action or proceeding brought pursuant to or arising from this License Agreement
- k. **Assignment.** Licensee shall not assign or otherwise transfer its rights and obligations under this License Agreement (whether by merger, share exchange, change-in-control, combination or consolidation of any type, operation of law, purchase, or otherwise) without the prior written consent of Licensors, which consent may be granted or withheld at the sole discretion of Licensors, and any attempt to do so shall be null and void.

Parties have duly executed this Agreement as follows:

For Licensor: **Curlin Medical Inc**

For Licensee:    Kern Medical

DocuSigned by:  
*Joshua Gans*  
**By:** \_\_\_\_\_  
Name: 7/22/2025  
Title: North America Service Director

**By:** \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

REVIEWED ONLY  
NOT APPROVED AS TO FORM

By *Phillip Jenkins*  
Kern County Hospital Authority

## Appendix 1 Curlin Trademark Guidelines

# CURLIN MEDICAL

BMND\$FA!NDARDS • CORRECT USE OF THE CURLIN LOGO

## 1. The Logo

The CURLIN product brand tag should only be reproduced from approved source files. The logo should never be redrawn or recreated, and should always be accompanied by the registration marks shown.

**CURLIN**  
**CURLIN**

## 2. Color

The CURLIN brand relies on the recognition that comes with consistent use of color. The following colors should be used for all advertising materials (both internal and external) and always be used for logos and brand elements.

Pantone 15-121C

(CMYK 100, 72, 4], 2  
RGB 0, 140, 149  
HEX #008C95

PMS 15-121C

CMYK 100, 71, 10, C7  
AG 110, 98  
HEX #008C95

## 3. Clear Space

The logo should be surrounded by a clear space equal to the height of the logo itself.

Preferred clear space:  $X = \text{height of the logo}$   
Minimum clear space:  $1/2 X$



## 4. Appearance

The logo should never be distorted or modified in any fashion. The logo should be considered a distinct element and not be used in place of the word "CURLIN" in a lined item or as part of another logo.



## 5. Contact

Requests for files or questions can be sent to [creativemedia@moog.com](mailto:creativemedia@moog.com) or the Moog Medical Marketing Department.

All uses of CURLIN or Moog materials are subject to the complete Terms and Conditions.

**Exhibit B****Non-Factory Training Fees and Royalty Schedule.****CURLIN MEDICAL Inc.**

Non Factory Self Recertification Training

**Order Form**

Date: February 3, 2025

Ship to: \_\_\_\_\_

Company Name: Kern Medical

Attention: Biomed Department

Address: 1700 Mount Vernon Avenue

City: Bakersfield CA 93306

Phone: 661-326-2580

E-mail: biomedteam@kernmedical.com

**Option A - On-Site Training at Curlin Medical, Salt Lake City, UT**

QTY	Part#	Description	Cost (each)	Sub Total
	43633	On-site instructor led training	\$2,000.00*	
	350-1107	NFR Tool Kit	included	
	360-9098	NFR Repair Kit	included	
<b>Total Cost</b>				

\* Cost is per attendee.

**Option B - Off-Site Training at Customer Location**

QTY	Part#	Description	Cost (each)	Sub Total
	43633	Off-Site instructor led training (up to 6 trainees)	\$7,500.00**	
		- Each additional trainee	\$2,000.00	
	350-1107	NFR Tool Kit	included	
	360-9098	NFR Repair Kit	included	
<b>Total Cost</b>				

\*\* Cost is minimum charge for Off-Site Training.

**NOTE:** THE ABOVE PRICING IS SUBJECT TO CHANGE AT ANY TIME BY CURLIN. ABOVE PRICING IS SUBJECT TO A VALIDITY PERIOD OF NINETY (90) DAYS AFTER RECEIPT. AFTER THE NINETY (90) DAY VALIDITY PERIOD, YOU MUST CONTACT MOOG FOR VALIDATION OF THE CURRENT PRICING, OR TO OBTAIN UPDATED PRICING.

The form "Compliance Requirements and Confidentiality Agreement" is required. Without this form duly signed and on file at Curlin, you will not be able to use the Self-Recertification Kit.

### Payment Information

Credit Card Number or Purchase Order Number:	
Expiration Date:	
Contact Name:	
Contact Phone Number:	

Attendees	
<i>Remember you pay per trainee for option A. For option B you pay per attendee after the first 6 trainees.</i>	
1. Alvin Eribal	2. Magdalino Apistar
3. Dameon Coleman	4. George Edge
5.	6.
7.	8.
9.	10.
11.	12.

Preferred Training Dates:
First Request: June 18-19, 2025      Second Request: September 3-4, 2025

Please email these documents to Joshua Gans at [jgans@moog.com](mailto:jgans@moog.com).



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Order Form with Qualtrics LLC for Patient and Employee Experience Surveys

**Recommended Action:** Approve, Authorize Chairman to Sign

**Summary:**

Kern Medical requests your Board approve of the proposed Order Form with Qualtrics extending our existing Agreement for an additional three years. 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.

The proposed Order Form will cost \$116,207 in year one and \$130,901 for years two and three, with a total not to exceed amount of \$393,459. The Order Form will be effective from November 16, 2025 to November 15, 2028.

Qualtrics provides patient surveys that are used to ensure compliance with Center for Medicare and Medicaid Services regulations concerning 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. 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.

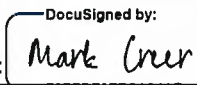
Qualtrics surveys are also used by Kern Medical's Human Resources department to gauge employee experience. This data is shared with leaders around the organization, who use the data to improve their management capabilities and create a more engaging and supportive work environment for their staff.

Therefore, it is recommended that your Board approve the proposed Order Form with Qualtrics, extending Kern Medical's existing Agreement for a period of three years, from November 16, 2025 through November 15, 2028, in an amount not to exceed \$393,459, and authorize the Chairman to sign.



## Order Form

Parties:	Qualtrics LLC 333 W River Park Drive, Provo, UT, 84604 United States ("Qualtrics")	Kern Medical Center 1700 Mount Vernon Avenue Bakersfield CA 93306 United States ("Customer")
Effective Date:	The date signed by the last party to sign.	
Governing Document:	This Order Form is subject to the Master Services Agreement or General Terms and Conditions between the parties dated as of 16 November 2022 (the " <b>Agreement</b> "). All capitalized terms used but not defined herein have the meanings given to them in the Agreement. If there is a conflict between the terms of the Agreement and this Order Form, this Order Form will control.	
Additional Terms:	Notwithstanding anything to the contrary set forth in the Agreement, any right of Customer to terminate without cause is only available without refund and on the condition that all fees set forth herein are paid in full.	
Customer Information:		
Regional Data Center:	Will Customer send a purchase order ("PO")?*	PO#:
	Will the PO apply to the entire Subscription Term:	
Email Address for Invoice Submission:	Billing Address to Reference on Invoice:	Attn: Kern Medical Center Foundation   Kern Medical 1700 Mount Vernon Ave Bakersfield, CA 93306-4018 United States
Shipping Address:	Attn: Kern Medical 1700 Mount Vernon Ave Bakersfield, CA 93306-4018 United States	
*If Customer requires a PO to process the invoice related to this Order Form, Customer will provide the PO with this Order Form or through the <a href="#">Customer Success Hub</a> or <a href="#">customer intake survey</a> within five days after the effective date hereof. Customer's failure or delay in providing a PO will not affect the payment terms herein.		

Qualtrics	Customer
By (signature):  DocuSigned by: Mark Creeer	By (signature):
Name: Mark Creeer	Name:
Title: Deputy General Counsel	Title:
Date: July 15, 2025	Date:
<b>Qualtrics Primary Contact:</b>	<b>Customer Primary Contact:</b>
Name: Levi Nation	Name:
Phone:	Phone:
Email: lnation@qualtrics.com	Email:

QUALTRICS CONFIDENTIAL

REVIEWED ONLY  
NOT APPROVED AS TO FORM

006Ht00000x75RIIAI

By Phillip Jenkins



## Order Form



Subscription Term and Fees Exhibit

Subscription Term

Initial Term	
Start date:	First date of the initial period in the fees table below
End date:	Last date of the final period in the fees table below
Term in months:	36

Renewal Terms (not applicable to pilots or proofs of concept)	
Type of renewal at the end of the initial term and each renewal term:	Automatic Renewal
Advance notice required to not renew or to request modification prior to the end of initial term or applicable renewal term:	90 days
Length of each renewal term in months:	12
Price increase at each renewal term for same Cloud Services:	5%

Fees for Initial Term

Period	Services	Price	Estimated Invoice Date	Payment Terms from Invoice	License Configuration
16-Nov-2025 TO 15-Nov-2026	Cloud Professional	\$92,756.75 \$23,450.00	Effective Date	Net 30	Q-00671
16-Nov-2026 TO 15-Nov-2027	Cloud Professional	\$107,451.00 \$23,450.00	17-Oct-2026	Net 30	Q-00671
16-Nov-2027 TO 15-Nov-2028	Cloud Professional	\$107,451.00 \$23,450.00	17-Oct-2027	Net 30	Q-00671
Total		USD \$378,008.75			

Prices shown do not include applicable taxes, which will be included on the invoice.

**Excess Use**  
Any use of the Cloud Service that exceeds the Usage Metrics and volumes set forth herein will incur additional fees from the date the excess use began based on Qualtrics’ prices as of that date. Customer will execute an Order Form for such excess use promptly upon Qualtrics’ request. Qualtrics will invoice Customer for such excess use on or about the end of the then-current annual period, and Customer will pay the invoiced amount in accordance with the applicable payment terms above.

## Cloud Service Exhibit

**YEAR 1**  
**Q-00671**

### **CLOUD SERVICE**

X4 General Pass : 3  
XM for Employee Experience - People Engage Employees : 1,100  
XM for Customer Experience - Frontline Locations Interactions : 100,000  
SMS Text Reserve : 100,000

**YEAR 2**  
**Q-00671**

### **CLOUD SERVICE**

XM for Employee Experience - People Engage Employees : 1,100  
SMS Text Reserve : 100,000  
XM for Customer Experience - Frontline Locations Interactions : 100,000

**YEAR 3**  
**Q-00671**

### **CLOUD SERVICE**

SMS Text Reserve : 100,000  
XM for Customer Experience - Frontline Locations Interactions : 100,000  
XM for Employee Experience - People Engage Employees : 1,100

The Cloud Services purchased are subject to the Definitions and Product Terms located at: <https://www.qualtrics.com/legal/customers/product-terms>

Qualtrics permits Customer to process a limited number of characters (as defined at <https://www.qualtrics.com/support/survey-platform/data-and-analysis-module/data/translate-text-responses>) through its translation functionality per subscription year ("Translation Limit") at no charge. Qualtrics, at its discretion, reserves the right to strictly enforce this limit.

CONFIDENTIAL

## Service Level Exhibit

### Service Levels

1. **Availability; Downtime.** Qualtrics will ensure that the Cloud Service has an availability level of 99.93%, excluding when the Cloud Service is unavailable due to (a) required system maintenance as determined by Qualtrics for which Qualtrics provides at least five days' advance notice to Customer; and (b) causes outside of the reasonable control of Qualtrics that could not have been avoided by its exercise of due care ("**Availability**"). "**Downtime**" means time during which the Cloud Service has no Availability.
2. **Fee Credits.** Customer will receive a fee credit ("**Fee Credit**") for Downtime upon request based on the following formula: Fee Credit = fee credit percentage set forth below \* (1/12 then-current annual fees paid for the Cloud Service affected by Downtime). All times listed below are per calendar month.
  1. If Downtime is 30 minutes (=99.93%) or less, no fee credit percentage applies.
  2. If Downtime is from 31 to 120 minutes, the fee credit percentage is 5%.
  3. If Downtime is from 121 to 240 minutes, the fee credit percentage is 7.5%.
  4. If Downtime is 241 minutes or greater, the fee credit percentage is 10.0%.



## Order Form

### Research Services Exhibit

*Customer agrees that Qualtrics may use partners to deliver any portion(s) of the Services set forth in this Exhibit at Qualtrics' discretion.*

#### 1. Definitions

- a. **"Deliverables"** refers to those service deliverables included in the Project Scope in Section 2.
- b. **"Delivery Team"** refers to the set of resources assigned by Qualtrics for fulfillment of project scope.
- c. **"Project"** refers to the project that is the cumulation of Deliverables to be provided under this Research Services Exhibit.
- d. **"Standard Business Hours"** are 0900 to 1700 hours according to the time zone of the office in which Delivery Team is located, unless otherwise agreed to in writing during the Project.

#### 2. Project Scope

##### a. Inclusions

- i. Deliverable descriptions are outlined in Schedule 1. Please note that **only the Deliverables listed immediately below are included in this Project**. Each line item represents a Deliverable and quantity in brackets.

HCAHPS (1)

HCAHPS (1)

HCAHPS (1)

OAS CAHPS (1)

OAS CAHPS (1)

OAS CAHPS (1)

IR: %

LOI:

##### b. General Assumptions

- i. Unless prior arrangements are made with Qualtrics, Customer must have access to and the right to use a current license to Qualtrics' Cloud Services and access to any license features necessary to execute the Project.
- ii. For the duration of the Project, Customer will provide the Delivery Team with access to Customer's Qualtrics brand (account) as a brand administrator.
- iii. Estimated pricing herein is based on the original Project scope, and changes to the Project scope may result in additional charges and adjusted estimated timeline and must be approved by both parties.



## Order Form

- iv. Notwithstanding the pricing set forth herein, all Projects will have a minimum fee of USD 3000 (as converted into the currency in which the price set forth herein is given at the established exchange rate on the effective date hereof).
- v. Notwithstanding anything to the contrary set forth herein, all Project funds and Delivery Team obligations set forth in this Research Services Exhibit expire one year after the Effective Date

### 3. Responsibilities

#### a. Delivery Team Responsibilities

- i. Engages with Customer throughout the Project, keeping Customer informed of timelines and progress toward completion throughout the Project.
- ii. Completes all items listed under Delivery Team Responsibilities in Schedule 1 for each Deliverable.
- iii. Offers guidance and support required to ensure Customer can fulfill responsibilities listed in Schedule 1 for each Deliverable.
- iv. All services will be performed remotely from Delivery Team offices unless noted otherwise in this contract or specifically agreed upon by both parties. Customer is responsible for any travel and accommodation expenses if and as incurred in the course of this project, in accordance with Qualtrics' then current travel practices and/or policies.

#### b. Customer Responsibilities

- i. Engages actively throughout the Project, following a cadence decided with Delivery Team during kickoff call; changes or cancellations of any meetings require 24 hours' notice in order to avoid forfeiture of allotted time.
- ii. Manages User Acceptance Testing ("UAT") process and any special testing requirements, ensuring that each stage of the Project is complete, and the scope of work has been met.
- iii. As needed, provides resources to fill all required roles for successful delivery, which may include project sponsorship, signatory, stakeholder management, project coordination, customer experience lead, technical lead, operational support.
- iv. Answers questions and clarifies requirements as needed during the Project.
- v. Completes all steps listed under Customer Responsibilities in Schedule 1 for each applicable Deliverable.
- vi. Unless otherwise agreed, Customer assumes full responsibility for the program following the Project period, and agrees to maintain all license features, including updates to Deliverables created during the Project, as well as the creation of any new Deliverables, including surveys, dashboards, reports, and sample collection.

### 4. Governance

- a. Timing of project start will be mutually agreed between Delivery Team and Customer based on Delivery Team availability and Customer's milestones.
- b. The Project is complete based on completion of delivery and Customer's acceptance, per the terms of the Acceptance Criteria section.
- c. Unless otherwise agreed by both parties in writing, all interactions and meetings will be conducted in English, and will be conducted remotely, via phone, email, or videoconference.



## Order Form

### 5. Acceptance Criteria

- a. Once a Project phase is completed and the Delivery Team provides notification of the Deliverables for review and approval, the Customer will either (1) confirm the requirements have reasonably been met and sign off on the approval for the next Project phase to begin or (2) reply to the Delivery Team, in writing, detailing the specific requirements that must still be met. Upon mutual agreement, both parties may agree to extend the time period for UAT, though additional time may impact Project timelines and budget and be subject to a Change Order (as defined below).
- b. All Deliverables are reviewed and signed off according to the following process:
  - i. After receiving the Deliverable, Customer will provide written sign off or report any issues within 5 business days.
  - ii. The Delivery Team will correct reported issues within a mutually agreed time frame.
  - iii. Customer will provide written feedback and raise issues related to the reworked portion of the Deliverable within a mutually agreed time frame, and the Delivery Team will make changes necessary to resolve the issues.
  - iv. Customer will provide final review and written signoff on the reworked Deliverables within 2 business days.
  - v. Deliverables will be considered accepted if the Customer does not provide written notification of Deliverable rejection within the timelines specified above.

### 6. Third Party Vendors and Products

- a. Customer remains responsible for their own vendors and third parties providing services related hereto.
- b. Qualtrics is not responsible for third party products obtained by Customer.

### 7. Change Orders

- a. If Customer or Delivery Team wishes to change the scope of the Project, they will submit details of the requested change to the other in writing. Delivery Team will, within a reasonable time after such request is received, provide a written estimate to Customer of changes to Project cost, timeline, and/or scope.
- b. Promptly after receipt of the written estimate, Customer and Delivery Team will negotiate and agree in writing on the terms of such change (a "Change Order"). Each Change Order complying with this Section will be considered an amendment to this Order Form.



## Order Form

### Schedule 1: Research Services Deliverable Description

This outlines all Deliverables that *may* be included in a Project, along with associated Delivery Team and Customer responsibilities. **Deliverables listed below may not be included in the specific Project referenced in the above Order Form. For a list of specific Deliverables included in this Project, refer to Section 2: Project Scope above.**

Unless otherwise noted, all Deliverables will be configured using standard features available in the Qualtrics platform; custom features can be scoped and purchased separately through Qualtrics Engineering Services. For all Deliverables, Customer is responsible for any setup or configuration beyond what the Delivery Team provides as part of the Project, including additional surveys or dashboards, and any required translations for surveys, dashboards, reports, Website Feedback creatives, or any other features of the Qualtrics platform. **Customer will maintain all aspects of the Deliverables after completion of the Project.**

Service	Description
HCAHPS	<p>HCAHPS</p> <p>For purposes of clarity only, CAHPS may include HCAHPS, OAS CAHPS, HH CAHPS, Hospice CAHPS, ICH_CAHP, ACO CAHPS, MIPS CAHPS, and Health Plan CAHPS.</p> <p>Delivery Team Responsibilities: In compliance with CAHPS protocols, paper surveys will be mailed to eligible patients via a 3rd party mail distribution center for an agreed upon target number of completed surveys annually per facility. Delivery Team will manage the vendor relationship and provide oversight for all CAHPS protocols.</p> <p>Vendor Responsibilities: The vendor will be responsible for all out-going, incoming, and scanning of all 1st and 2nd wave surveys and dispositioning undeliverables, completed surveys and non-respondents. The vendor will provide a monthly data file back to Qualtrics and all completed survey data will be imported into the Qualtrics dashboard for reporting along with any available CAHPS public report benchmark data and submitted to Quality Net monthly for official CAHPS reporting.</p> <p>Customer Responsibilities: Customer is responsible to transmit all patient files for the survey administration in an encrypted .csv file via secure file transfer protocol (SFTP) weekly, twice per month, or monthly. Customer is responsible to send all required data fields as required for corresponding CAHPS program and submit any update files in accordance with CAHPS dates and deadlines.</p> <p>-----</p>
HCAHPS	HCAHPS



## Order Form

	<p>For purposes of clarity only, CAHPS may include HCAPHS, OAS CAHPS, HH CAHPS, Hospice CAHPS, ICH_CAHPs, ACO CAHPS, MIPS CAHPS, and Health Plan CAHPS.</p> <p><b>Delivery Team Responsibilities:</b>  In compliance with CAHPS protocols, paper surveys will be mailed to eligible patients via a 3rd party mail distribution center for an agreed upon target number of completed surveys annually per facility.  Delivery Team will manage the vendor relationship and provide oversight for all CAHPS protocols.</p> <p><b>Vendor Responsibilities:</b>  The vendor will be responsible for all out-going, incoming, and scanning of all 1st and 2nd wave surveys and dispositioning undeliverables, completed surveys and non-respondents.  The vendor will provide a monthly data file back to Qualtrics and all completed survey data will be imported into the Qualtrics dashboard for reporting along with any available CAHPS public report benchmark data and submitted to Quality Net monthly for official CAHPS reporting.</p> <p><b>Customer Responsibilities:</b>  Customer is responsible to transmit all patient files for the survey administration in an encrypted .csv file via secure file transfer protocol (SFTP) weekly, twice per month, or monthly.  Customer is responsible to send all required data fields as required for corresponding CAHPS program and submit any update files in accordance with CAHPS dates and deadlines.</p> <p>-----</p>
HCAHPS	<p>HCAHPS</p> <p>For purposes of clarity only, CAHPS may include HCAPHS, OAS CAHPS, HH CAHPS, Hospice CAHPS, ICH_CAHPs, ACO CAHPS, MIPS CAHPS, and Health Plan CAHPS.</p> <p><b>Delivery Team Responsibilities:</b>  In compliance with CAHPS protocols, paper surveys will be mailed to eligible patients via a 3rd party mail distribution center for an agreed upon target number of completed surveys annually per facility.  Delivery Team will manage the vendor relationship and provide oversight for all CAHPS protocols.</p> <p><b>Vendor Responsibilities:</b>  The vendor will be responsible for all out-going, incoming, and scanning of all 1st and 2nd wave surveys and dispositioning undeliverables, completed surveys and non-respondents.  The vendor will provide a monthly data file back to Qualtrics and all completed survey data will be imported into the Qualtrics dashboard for reporting along with any available CAHPS public report benchmark data and submitted to Quality Net monthly for official CAHPS reporting.</p> <p><b>Customer Responsibilities:</b></p>





## Order Form

	<p>Customer is responsible to transmit all patient files for the survey administration in an encrypted .csv file via secure file transfer protocol (SFTP) weekly, twice per month, or monthly.</p> <p>Customer is responsible to send all required data fields as required for corresponding CAHPS program and submit any update files in accordance with CAHPS dates and deadlines.</p> <p>-----</p>
OAS CAHPS	<p>OAS CAHPS</p> <p>For purposes of clarity only, CAHPS may include HCAPHS, OAS CAHPS, HH CAHPS, Hospice CAHPS, ICH_CAHPs, ACO CAHPS, MIPS CAHPS, and Health Plan CAHPS.</p> <p>Delivery Team Responsibilities: In compliance with CAHPS protocols, paper surveys will be mailed to eligible patients via a 3rd party mail distribution center for an agreed upon target number of completed surveys annually per facility. Delivery Team will manage the vendor relationship and provide oversight for all CAHPS protocols.</p> <p>Vendor Responsibilities: The vendor will be responsible for all out-going, incoming, and scanning of all 1st and 2nd wave surveys and dispositioning undeliverables, completed surveys and non-respondents. The vendor will provide a monthly data file back to Qualtrics and all completed survey data will be imported into the Qualtrics dashboard for reporting along with any available CAHPS public report benchmark data and submitted to Quality Net monthly for official CAHPS reporting.</p> <p>Customer Responsibilities: Customer is responsible to transmit all patient files for the survey administration in an encrypted .csv file via secure file transfer protocol (SFTP) weekly, twice per month, or monthly. Customer is responsible to send all required data fields as required for corresponding CAHPS program and submit any update files in accordance with CAHPS dates and deadlines.</p> <p>-----</p>
OAS CAHPS	<p>OAS CAHPS</p> <p>For purposes of clarity only, CAHPS may include HCAPHS, OAS CAHPS, HH CAHPS, Hospice CAHPS, ICH_CAHPs, ACO CAHPS, MIPS CAHPS, and Health Plan CAHPS.</p> <p>Delivery Team Responsibilities: In compliance with CAHPS protocols, paper surveys will be mailed to eligible patients via a 3rd party mail distribution center for an agreed upon target number of completed surveys annually per facility. Delivery Team will manage the vendor relationship and provide oversight for all CAHPS protocols.</p>



## Order Form

	<p><b>Vendor Responsibilities:</b>  The vendor will be responsible for all out-going, incoming, and scanning of all 1st and 2nd wave surveys and dispositioning undeliverables, completed surveys and non-respondents.  The vendor will provide a monthly data file back to Qualtrics and all completed survey data will be imported into the Qualtrics dashboard for reporting along with any available CAHPS public report benchmark data and submitted to Quality Net monthly for official CAHPS reporting.</p> <p><b>Customer Responsibilities:</b>  Customer is responsible to transmit all patient files for the survey administration in an encrypted .csv file via secure file transfer protocol (SFTP) weekly, twice per month, or monthly.  Customer is responsible to send all required data fields as required for corresponding CAHPS program and submit any update files in accordance with CAHPS dates and deadlines.</p> <p>-----</p>
<b>OAS CAHPS</b>	<p><b>OAS CAHPS</b></p> <p>For purposes of clarity only, CAHPS may include HCAHPS, OAS CAHPS, HH CAHPS, Hospice CAHPS, ICH_CAHPs, ACO CAHPS, MIPS CAHPS, and Health Plan CAHPS.</p> <p><b>Delivery Team Responsibilities:</b>  In compliance with CAHPS protocols, paper surveys will be mailed to eligible patients via a 3rd party mail distribution center for an agreed upon target number of completed surveys annually per facility.  Delivery Team will manage the vendor relationship and provide oversight for all CAHPS protocols.</p> <p><b>Vendor Responsibilities:</b>  The vendor will be responsible for all out-going, incoming, and scanning of all 1st and 2nd wave surveys and dispositioning undeliverables, completed surveys and non-respondents.  The vendor will provide a monthly data file back to Qualtrics and all completed survey data will be imported into the Qualtrics dashboard for reporting along with any available CAHPS public report benchmark data and submitted to Quality Net monthly for official CAHPS reporting.</p> <p><b>Customer Responsibilities:</b>  Customer is responsible to transmit all patient files for the survey administration in an encrypted .csv file via secure file transfer protocol (SFTP) weekly, twice per month, or monthly.  Customer is responsible to send all required data fields as required for corresponding CAHPS program and submit any update files in accordance with CAHPS dates and deadlines.</p> <p>-----</p>



## Professional Services Exhibit

This Exhibit is issued on **July 14, 2025**. All pricing and terms set forth in this Order Form is only valid for 90 days from this issuance date, unless otherwise noted.

### 1. Definitions

- a. "Deliverables" refers to those implementation deliverables included in the Project Scope in Section 2.
- b. "Delivery Team" refers to the set of resources assigned by Qualtrics for fulfillment of project scope.
- c. "Project" refers to the project that is the cumulation of Deliverables to be provided under this Professional Services Exhibit.
- d. "Standard Business Hours" are 0900 to 1700 hours according to the time zone of the office in which Delivery Team is located, unless otherwise agreed to in writing during the Project.

### 2. Project Scope

- a. Inclusions
  - i. Deliverables for this Project are detailed in Schedule 1, which includes: SFTP Provisioning for Automation (Total of 1 SFTP Accounts)
- b. Assumptions
  - i. For the duration of the Project, Customer will provide the Delivery Team with access to Customer's Qualtrics brand (account) as a brand administrator.
  - ii. Setting up the automation required for the Contact or Employee Import and/or Survey Distributions by using the features provided in the Qualtrics platform is not in scope of this SOW.

### 3. Responsibilities

- a. Delivery Team Responsibilities
  - i. Engages with Customer throughout the Project, keeping the Customer informed of timelines and progress toward completion throughout the Project.
  - ii. Completes all responsibilities outlined in Schedule 1.
- b. Customer Responsibilities
  - i. Engages actively throughout the Project, following a cadence decided with Delivery Team during kickoff call; changes or cancellations of any meetings require 24 hours' notice in order to avoid forfeiture of allotted time.
  - ii. Manages User Acceptance Testing ("UAT") process and any special testing requirements, ensuring that each stage of the Project is complete and the scope of work has been met. This may include:
    - 1. Uploading sample data to the Qualtrics platform to test system functionality and license settings.
    - 2. Validating that scoped features and settings were implemented correctly and meet the requirements of the Project.
    - 3. Engaging other stakeholders within Customer's organization as needed to test technical or functional aspects of the Qualtrics platform.
  - iii. As needed, provides resources to fill all required roles for successful implementation, which may include project sponsorship, signatory, stakeholder management, project coordination, customer experience lead, technical lead, operational support.
  - iv. Completes all steps listed under Customer Responsibilities in Schedule 1.

### 4. Governance

- a. Delivery Team will coordinate with Customer to schedule a Project kickoff call, at which time the Project begins. Timing of kickoff call will be mutually agreed between Delivery Team and Customer based on Delivery Team availability and Customer's milestones. It is estimated that the Project will begin up to 2 week(s) after the Effective Date of this Service Order. It is estimated that the Project will last for 2 week(s).
- b. The Project is complete based on completion of delivery and Customer's acceptance, per the terms of the Acceptance Criteria section.
- c. Unless otherwise agreed by both parties in writing, all interactions and meetings will be conducted in English, and will be conducted remotely, via phone, email, or video conference.



## 5. Acceptance Criteria

- a. Once a Project phase is completed and the Delivery Team provides notification of the Deliverables for review and approval, the Customer will either (1) confirm the requirements have reasonably been met and sign off on the approval for the next implementation phase to begin or (2) reply to the Delivery Team, in writing, detailing the specific requirements that must still be met. Upon mutual agreement, both parties may agree to extend the time period for UAT, though additional time may impact Project timelines and budget and be subject to a Change Order (as defined below).
- b. Deliverables are reviewed and signed off according to the following process:
  - i. Delivery Team will submit final drafts for review and sign-off at least 5 business days prior to the Deliverable completion date.
  - ii. Customer will sign off or report any issues within 5 business days of draft submission.
  - iii. The Delivery Team will correct reported issues within a mutually agreed time frame.
  - iv. Customer will provide written feedback and raise issues related to the reworked portion of the Deliverable within a mutually agreed time frame, and the Delivery Team will make changes necessary to resolve the issues.
  - v. Customer will provide final review and signoff on the reworked Deliverables within 2 business days.
  - vi. Deliverables will be considered accepted if the Customer does not provide written notification of Deliverable rejection within the timelines specified above.

## 6. Third Party Vendors and Products

- a. Customer remains responsible for their own vendors and third parties providing services related hereto.
- b. Qualtrics is not responsible for third party products obtained by Customer.

## 7. Change Orders

- a. If Customer or Delivery Team wishes to change the scope of the Project, they will submit details of the requested change to the other in writing. Delivery Team will, within a reasonable time after such request is received, provide a written estimate to Customer of changes to Project cost, timeline, and/or scope.
- b. Promptly after receipt of the written estimate, Customer and Delivery Team will negotiate and agree in writing on the terms of such change (a "Change Order"). Each Change Order complying with this Section will be considered an amendment to this Service Order.

## 8. Annual Hosting and Maintenance

- a. Qualtrics will provide support for any customizations that the Delivery Team has developed. This includes:
  - i. Costs for hardware and software necessary to operate the customizations together with the Services.
  - ii. Maintaining compatibility with the standard functionality as implemented by Customer.
  - iii. The custom capabilities integrate with Qualtrics' core software products but are separate.
  - iv. The Professional Services Support ensures ongoing compatibility with the evolving core products.
  - v. Qualtrics will provide maintenance and fix issues if the original functionality becomes inoperable within the licensing period for Qualtrics and within one year of the most recent annual hosting and maintenance renewal.
  - vi. Customer support and troubleshooting issues related specifically to the custom developed solution.
  - vii. Any and all updates or revisions that are needed for security purposes.
  - viii. Continuous monitoring and alerting of critical system functionality on a 24/7 basis.
  - ix. Management and execution of required migrations, deprecations, and upgrades.



### Schedule 1: Implementation Deliverable Description Glossary

This outlines the Deliverables related to the Qualtrics Implementation.

Deliverable + Description	Associated Responsibilities
<p><i>SFTP Provisioning for Automation (Total of 1 SFTP Accounts)</i></p> <p><i>Qualtrics will set up a SFTP location on a Qualtrics server that the customer may use.</i></p> <p><i>Qualtrics will work with Customer to agree to a folder structure for the automation.</i></p> <p><i>Access credentials will be agreed and shared with the Customer as part of Development</i></p> <p><i>If any additional custom development work is required for the automations, a separate SOW will be needed.</i></p>	<p><b>Delivery Team Responsibilities</b></p> <p>Provide the Customer with a designated survey link to collect the necessary technical details for the setup of the SFTP account.</p> <p>Prepare a designated SFTP server on the Qualtrics platform.</p> <p>Collaborate with the Customer to establish an agreed-upon folder structure for automation.</p> <p>Develop and finalize access credentials for the SFTP account in coordination with the Customer.</p> <p>Configure the SFTP account according to the information received from the Customer once the survey is completed.</p> <p>Conduct necessary testing to ensure the SFTP account is operational and configured correctly.</p> <p><b>Customer Responsibilities</b></p> <p>Actively engage in the Project and complete the designated survey to provide all necessary technical information for the setup of the SFTP account.</p> <p>Consult with internal IT resources as necessary to gather the information required for the survey.</p> <p>Ensure timely completion of the survey, as the provision of the SFTP account is contingent upon the receipt of the required information.</p>



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Lease Agreement with Advanced Imaging Services, Inc., for a Mobile MRI Unit in an amount not to exceed \$924,000 over the 24-month term of the agreement

**Recommended Action:** Approve, Authorize Chairman to Sign

**Summary:**

Kern Medical requests your Board approve the proposed lease agreement with Advanced Imaging Services, Inc., for the lease of a GE Healthcare HDxt HD30 Air Recon DL MRI Mobile unit for a term of 24 months. The term of the lease will commence upon delivery of the mobile MRI. Kern Medical currently operates a mobile MRI unit first placed into service in 2008. This unit has reached the end of its useful life, is no longer supported by the manufacturer and suffers significant downtime due to system failures. Kern Medical has contracted with Advanced Imaging to provide service to the current equipment that includes four Preventive Maintenance services per year and preferred rates for repairs at a cost of \$180,480 each year. The cost of the lease includes service, and we can cancel the current service agreement upon delivery of the new unit.

On June 21, 2023, your Board approved the purchase of a GE 1.5 T Signa Voyager MRI to be placed in a fixed-site MRI building. This mobile MRI unit will allow Kern Medical to maintain operations while proceeding with plans for the fixed site location.

Downtime of the current MRI requires coordination and additional costs to send patients to outside vendors for imaging, increased wait times for outpatients who often seek out imaging elsewhere and repair costs that exceed \$45,000 each year. With the savings from the current service agreement and reduction in repairs, the net increase in cost for the new equipment is \$236,520 and will allow for other financial benefits from improved operational efficiencies, reduction in service interruptions and higher capacity due to reduced times to scan patients.

Advanced Imaging Services, Inc. was selected based on their ability to provide a state-of-the-art GE Healthcare HDxt HD30 Air Recon DL Mobile MRI unit that meets Kern Medical's clinical and operational needs. The vendor has demonstrated a strong track record in delivering and maintaining mobile MRI units and has a reputation of reliability, service responsiveness and competitive pricing. Advanced Imaging will also purchase and remove the current MRI trailer from the premises.

Therefore, it is recommended that your Board approve the Proposed Lease Agreement with Advanced Imaging Services, Inc., for a Mobile MRI Unit in an amount not to exceed \$924,000 over the 24-month term of the agreement, effective on the date of the delivery, and Authorize the Chairman to sign.



## MRI LEASE AGREEMENT

**Advanced Imaging Services, Inc. ("LESSOR")**, located at 17410 Murphy Parkway Lathrop, California 95330, hereby agrees to lease to **Kern County Hospital Authority, a unit of local government which owns and operates Kern Medical Center ("LESSEE")**, having its principal place of business located at 1700 Mt. Vernon Ave. Bakersfield, CA 93306. LESSEE hereby agrees to lease the equipment described in Exhibit A ("**Equipment**") in accordance with the terms and conditions set forth below in this Lease Agreement and the standard terms and conditions set forth herein and incorporated to this Lease Agreement by reference:

## EQUIPMENT DESCRIPTION

Upon execution of this Lease Agreement, LESSOR will provide the Equipment detailed in Exhibit A of this Lease Agreement to the LESSEE on the agreed upon dates as set in the Term section.

Make and Model
GE Healthcare HDxt HD30 Air Recon DL

## INITIAL TERM

LESSOR shall lease the equipment, for a term of 24 months from and after the Commencement Date. The Commencement Date shall be the date that the Equipment is installed at Lessee's premises. The Commencement Date shall be on or about \_\_\_\_\_.

## LEASE FEES

The LESSEE agrees to pay LESSOR \$38,500 per Month (the "Payment Period") plus all applicable state and local taxes. The first and last month Payment Period's Lease Fee are due and payable upon execution of this lease, which acts as the invoice. Subsequent Lease Fees shall be due in advance upon each Payment Period's anniversary day of the Commencement Date. Extensions of this lease may be requested in writing 30 days prior to lease termination. Extensions are based on availability and shall be charged at the rate of \$38,500 per Month and are payable in advance of extension.



## MASTER LEASE AGREEMENT TERMS & CONDITIONS

THIS LEASE AGREEMENT, made and entered into by and between **Advanced Imaging Services, Inc.**, (hereinafter referred to as "**Lessor**"), located at 17410 Murphy Parkway Lathrop, California 95330, and the party whose name and address appear on Exhibit A which is attached hereto and incorporated by reference (hereinafter referred to as "**Lessee**") WITNESSETH:

WHEREAS Lessor operates and is in the business of leasing mobile imaging equipment:

AND, WHEREAS Lessee wishes to lease from Lessor the equipment listed on Exhibit A:

NOW, THEREFORE, Lessor and Lessee hereby agree as follows:

### 1) EQUIPMENT

- a) Subject to the terms and conditions of this Lease Agreement, Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, the equipment ("Equipment") described on the attached Exhibit A. Lessor shall deliver, set up and test the Equipment to determine that it is in proper working condition. The Equipment shall be delivered to, and for the duration of this Lease Agreement, remain at the location set forth in Exhibit A. LESSOR HAS NOT MADE AND MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, DIRECTLY OR INDIRECTLY, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING (WITHOUT LIMITATION) TITLE TO OR THE SUITABILITY OF SUCH EQUIPMENT, ITS DURABILITY, ITS FITNESS FOR ANY PARTICULAR PURPOSE, ITS MERCHANTABILITY, ITS CONDITION, ITS CAPACITY, ITS OPERATION, ITS PERFORMANCE, ITS DESIGN, ITS MATERIALS, ITS WORKMANSHIP AND/OR ITS QUALITY, AND AS BETWEEN LESSEE AND LESSOR OR LESSOR'S ASSIGNEE, LESSEE LEASES THE EQUIPMENT "AS IS". Lessor and Lessor's assignee shall not be liable to Lessee or any third party for any loss, damage, injury or expense of any kind or nature caused, directly or indirectly, by any equipment leased under this Lease or the use or maintenance thereof or any defect therein, the failure of operation thereof, or any repair, service or adjustment thereto, or by any delay or failure to provide any thereof, or by any interruption of service or loss of use thereof or for any loss of business or damage whatsoever and howsoever caused, including (without limitation) any loss of anticipatory profits or any other indirect, special or consequential damages, nor shall Lessor be liable for any damages which may be assessed against Lessee in any action for infringement of any United States Patent, Trademark or Copyright. Lessor makes no warranty as to the treatment of this Lease for tax or accounting purposes. Lessor makes no warranty as to the compliance of the equipment with applicable government regulations or requirements, which shall be the sole responsibility of the Vendor and/or manufacturer or the equipment. No representation or warranty as to the equipment or any other matter by the Vendor shall be binding on Lessor, nor in any way affect any of Lessee's obligations to Lessor as set forth in this Lease.

### 2) MAINTENANCE

- a) Lessor shall provide all necessary maintenance service to the Equipment between the hours of 8am – 5pm Monday through Friday in local time zone.
- b) Pursuant to 2(a), Lessee shall allow regular preventive maintenance procedures to be performed by Lessor at regular intervals during the term of this Lease Agreement.
- c) Lessee shall not permit anyone to perform service or repair on the Equipment without the prior consent of Lessor.
- d) Lessor's liability for maintenance shall be limited to the cost of parts and labor (including delivery charges) required to keep the Equipment in good working condition and operating in accordance with the published specifications of the manufacturer. Additional costs related to maintenance and operation of the Equipment are the responsibility of Lessee. This includes but is not limited to repairs to or replacement of the surface coils if damaged due to Lessee misuse or neglect as



determined by the Lessor's maintenance service provider. Lessor is responsible for ensuring that all maintenance is in compliance with the manufacturer's maintenance requirements.

- e) If Lessee requires maintenance of Equipment due to misuse or neglect of the Equipment as determined by Lessor or Lessor's agent or designee, Lessor, at its discretion, may bill Lessee for any labor, travel or parts required to fix the Equipment.
- f) Lessee is not responsible for any cost related to brakes, tires, airbags, generators or any damage to the trailer.
- g) In the event that Lessee activates the emergency quench button, Lessee shall be responsible for all necessary repairs and maintenance to the Equipment resulting from the emergency activation of the emergency quench button, including but not limited to repairs and maintenance to remediate damage to the magnet, MRI system and for the loss of helium.
- h) In the event that Lessee activates the fire suppression system, and such activation is determined by Lessor not to have been in response to fire or other event requiring activation of the fire suppression system, then Lessee shall be responsible for damage to the mobile unit including re-charging the fire suppression system; and
- i) Maintenance and repairs determined by Lessor to be necessary to address damage to the Equipment or any of its related systems as the result of power fluctuations, including but not limited to loss of helium, will be the responsibility of Lessee.

### 3) PERSONNEL

- a) Only properly trained technologists, licensed by the state of operation where such licensing is required, shall be permitted to operate the Equipment. Lessee shall provide these technologists, or cause them to be provided by the user of the Equipment.

### 4) ON-SITE FACILITIES

- a) Lessee shall provide a level surface, adequate in size to accommodate the Equipment, together with electrical power meeting the manufacturer's criteria for said Equipment. Lessee's Inspection: Lessee shall make any and all necessary inspections and tests of the Equipment at Lessee's sole expense, including physicist's reports and health inspections, within two days after installation thereof, and within such period Lessee shall either
  - i) deliver to Lessor an Acceptance Certificate substantially in the form of Exhibit B hereto (the "Acceptance Certificate") or
  - ii) deliver to Lessor written notice specifying any defect in the Equipment. For the avoidance of doubt, unless Lessee within that time gives written notice to Lessor specifying any defect in the Equipment, or if Lessee begins to use the Equipment, Lessee agrees that it shall be conclusively presumed that Lessee has fully inspected the Equipment and acknowledged that the Equipment conforms to the manufacturer's specifications, and that Lessee has accepted the Equipment in such condition.
- b) Upon Lessor's receipt of any notification of a defect in the Equipment, Lessor shall effect any repairs or maintenance required to correct any defects or conditions identified in Lessee's notice so as to return the Equipment to good working condition in accordance with this Lease Agreement, excepted however, that Lessee shall be responsible for any and all modifications and/or alterations necessary as a result of regulatory requirements, including modifications and/or alterations to the electrical distribution systems, plumbing and water/waste systems, lighting, heating and air conditioning, structural systems, and code restrictions and requirements. It is agreed that in the event that such modifications and/or alterations delay the ability of Lessee to perform the procedures for which the Equipment is intended, Lessee shall continue to be responsible for and be obligated to pay the Lease Fee for the Equipment beginning on the original Commencement Date, whether or not Lessee is able to utilize the Equipment to perform procedures. Following Lessor's notification to Lessee of its completion of any repairs or maintenance to correct defects in the Equipment (not including modifications or alterations as described above), Lessee shall deliver to Lessor the Acceptance Certificate. For the avoidance of doubt, unless, following such notification, Lessee gives written notice to Lessor specifying any further defect in the Equipment, or if Lessee



begins to use the Equipment, Lessee agrees that it shall be conclusively presumed that Lessee has fully inspected the Equipment and acknowledged that the Equipment conforms to the manufacturer's specifications, and that Lessee has accepted the Equipment in such condition.

5) PREPARATION OF SITE

- a) Lessee shall have the sole responsibility for preparing the site for installation of the Equipment. It is agreed and understood that in order to install the Equipment and make it operative the site selected by Lessee for the Equipment must be furnished with power, free of transients, dips and sags at all times, water, waste, patient call system, fire alarm connections, and telephony in accordance with trailer manufacturer requirements. In the event, the equipment requires maintenance as a result of power outside of the equipment manufacturer specifications, then LESSEE shall be responsible for any parts and labor required to bring the equipment back to manufacturer's specification. It is agreed that Lessee shall have the responsibility, at its sole cost and expense, to prepare the site to comply with governmental requirements, including building codes, foundations, etc. and with the requirements set forth in trailer manufacturer requirements, and to construct canopies or other improvements it desires. Such requirements and improvements must be constructed and ready for use no later than five (5) business days prior to the Commencement Date in order to permit Lessor to deliver and install the Equipment so that it is operative on the Commencement Date. It is agreed and understood that unless Lessee performs to its responsibilities under this Lease Agreement on a timely basis the Equipment shall not be operative on the Commencement Date. In such event, Lessee shall continue to be responsible for and be obligated to pay the rent for the Equipment beginning on the Commencement Date, whether or not the Equipment is operative. Upon the date of lease termination, Lessee shall ensure that Lessor has free and open access to the Equipment and trailer so as to allow removal from the site. Lessee is solely responsible for any costs associated with ensuring such free and open access, including but not limited to removing any canopies or other improvements Lessee constructs. Failure to ensure free and open access will be deemed a holdover pursuant to § 17 of this Agreement, and the holdover will be deemed to continue until the date on which Lessee provides free and open access to the Equipment for removal and notifies Lessor of such access.

6) LEASE FEES

- a) Lessee shall pay to Lessor fees in the amount set forth in at page 1 of this Lease Agreement (the "Lease Fees") as well as all applicable state and local taxes, unless Lessee provides Lessor with a valid tax exemption certificate. The fixed Lease Fee for the first and last Payment Period is due and payable upon execution of this Agreement, and the remaining payments are due and payable as set forth at page 1 of this Lease Agreement.

7) TERM AND TERMINATION

- a) This Lease Agreement shall commence on the Commencement Date stated, and continue for the term stated, on Page 1 of this Lease Agreement ("Initial Term"), with extensions of this Lease Agreement only as provided thereon ("Renewal Terms"). In the event that this Lease Agreement is terminated before the expiration of the Initial Term or before the expiration of any subsequent Renewal Term, whether for cause as provided in subparagraph 7(a) or otherwise, Lessee shall pay to Lessor an amount equal to sixty-five percent (65%) of the Lease Fees due under the remaining Initial Term or Renewal Term.
- b) TERMINATION FOR CAUSE Should Lessee:
  - i) Fail to make timely payment of any sum of money due under this Lease Agreement; or
  - ii) Fail to perform any of its other obligations under this Lease Agreement; or
  - iii) Commit an act of bankruptcy or become the subject of any proceeding under the Bankruptcy Act, or become insolvent, or if any substantial part of the Lessee's property should become subject to any levy, seizure, assignment, application, or sale for or by any creditor or governmental agency or if Lessee transfers substantially all of its assets or merges or consolidates with or is acquired by any other person or entity other than an affiliate of Lessee:



iv) Then in such event (each such event a "Default"), termination of this Lease Agreement may be exercised by Lessor and Lessor may enter on any premises wherever situated and disable the Equipment, and/or restrict access to the Equipment, and/or take possession of the Equipment and remove it from the premises, and/or pursue any other remedy that Lessor may have in law or equity, and none of said actions shall relieve Lessee of any obligation or liability Lessee would otherwise have under this Lease Agreement. Upon the occurrence of a Default, Lessor shall not exercise any of the remedies set forth herein until Lessor has sent Lessee written notice of said default and Lessee has failed to cure said default within five (5) days after receipt of said notice provided however, that if said event of default is such as to make Lessor reasonably insecure as to the protection of Lessor's ownership rights in the Equipment, or the preservation of the condition of the Equipment, or the guarantee of the Lessor's access to the Equipment, or the guarantee of any payment due, then Lessor may take reasonable steps to protect Lessor's ownership rights, preserve the condition of the Equipment, and/or guarantee Lessor's access to the Equipment and/or guarantee any and all payments due, without regard to requirements of notice or rights to cure, including denying Lessee's access to the Equipment. The exercise of any of the above remedies by Lessor shall not obligate Lessor to an extension of the term of this Lease Agreement beyond the original termination date, whether or not there is a cure by Lessee, and Lessee shall forfeit any days of not being able to utilize the Equipment as a result of its default. If any payment by Lessee is past due for more than seven (7) days. Any costs associated with any attempt by Lessor to enforce the conditions of this Lease Agreement, including collection of payments due, shall be borne by the Lessee.

c) Termination by Lessee. Lessee may terminate this Agreement in the event Lessor fails to substantially perform its obligations herein. Lessor shall have five (5) days to correct any defect. In event, the defect is not corrected Lessee shall be under no obligation to pay any Lease Fees for any remaining unused term.

#### 8) USE

a) Lessee shall use the Equipment solely to perform diagnostic imaging for Lessee's patients. Its use shall be in a careful and proper manner and shall comply with and conform to all applicable laws and regulations, and with any and all instructions and procedures furnished or prescribed by Lessor. Lessee shall maintain in full force and effect all permits required for Lessee to conduct its business as currently conducted and to lease and use the Equipment in the manner contemplated under this Lease Agreement. If Equipment is in a mobile trailer, it shall not be driven or otherwise moved by Lessee during the term hereof, except when necessary to avoid damage to the Equipment, such as the case of fire or to comply with any applicable law or regulation. Lessee is otherwise not permitted to move the mobile unit without prior written approval from Lessor.

#### 9) ALTERATIONS

a) Lessee shall not, without the prior written consent of Lessor, make any alterations or improvements to the Equipment. All alterations or improvements of any kind or nature whatsoever made to the Equipment shall belong to and become the property of Lessor upon the expiration of this Lease Agreement.

#### 10) LESSEE COOPERATION TO SELL OR LEASE

a) Lessee shall during the last 6 months of the Initial Term, on Lessor's written notice, cooperate with Lessor's efforts to sell or lease the Equipment, including, without limitation, permitting prospective purchasers or lessees to fully inspect the Equipment and the records during Lessee's regular business hours and in compliance with Lessee's reasonable security procedures.

#### 11) INSURANCE

a) During the term hereof, Lessee shall provide insurance coverage in form and amount and with insurance carriers acceptable to Lessor for all risks of loss, theft or damage to the Equipment in amounts equal to the full replacement cost of the Equipment (excluding depreciation) and



comprehensive public liability and property damage insurance, Lessor shall provide that the policy may not be canceled or materially altered without thirty (30) days prior notice to Lessor. A certificate of insurance evidencing these categories shall be provided to Lessor. Notwithstanding anything to the contrary, Parties acknowledge that Lessee is self-insured pursuant to California Government Code § 990. Evidence of self-insurance, and any applicable policy, shall satisfy all insurance requirements herein.

- b) Lessor may be required to provide proof of insurance for one or more of the following types of insurance coverages as determined by Lessee:
  - i) Workers' Compensation Insurance in accordance with the provisions of section 3700 of the California Labor Code. This policy shall include employer's liability insurance with limits of at least one million dollars (\$1,000,000). Include a cover sheet stating the business is a sole proprietorship, if applicable.
  - ii) Commercial General Liability Insurance in the minimum amounts indicated below or such additional amounts as may be determined by the Lessee Risk Manager, including, but not limited to, Contractual Liability Insurance (specifically concerning the indemnity provisions of any quote with Lessee), Products-Completed Operations Hazard, Personal Injury (including bodily injury and death), and Property Damage for liability arising out of Lessor's performance of work hereunder. The amount of said insurance coverage required hereunder shall be the policy limits, which shall be at least one million dollars (\$1,000,000) each occurrence and two million dollars (\$2,000,000) aggregate.
  - iii) The Commercial General Liability Insurance shall include an endorsement naming Lessee and Lessee's board members, officials, officers, agents and employees as additional insureds. All insurance shall be issued by a company or companies admitted to do business in California and listed in the current "Best's Key Rating Guide" publication with a minimum rating of A-; VII. All insurance provided by Lessor hereunder shall be primary to and not contributing to any other insurance maintained by Lessee. Any exception to these requirements must be approved by Lessee's Risk Manager. Lessee's Risk Manager may require higher limits depending on the nature of the goods and/or services being provided. All insurance coverage requirements shall be maintained by Lessor until completion of all of Lessor's obligations to Lessee, and shall not be reduced, modified or canceled without 30 days prior written notice to the Chief Executive Officer ("CEO").

## 12) INDEMNITY

- a) Lessee shall indemnify Lessor against and hold Lessor harmless from any and all other claims, costs, damages, liabilities and liens imposed or incurred by or asserted against Lessor or its successors or assigns arising out of the lease or the use of the Equipment by Lessee (including without limitation attorney's fees incurred on account of the foregoing). Lessor shall give Lessee prompt written notice of the occurrence of any matter hereby indemnified against and agrees that upon such written notice, Lessee shall assume full responsibility for the defense of such matter. This section shall survive termination of this Lease Agreement.
- b) Lessor agrees to indemnify, defend and hold harmless Lessee and Lessee'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, 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 Lessor or Lessor'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 Lessee; and any workers' compensation claim or suit arising from or connected with any services performed by or on behalf of Lessor by any person or entity. Further, Lessor shall indemnify, defend and hold Lessee, its officers, agents, servants and employees harmless from liability of any nature or kind as a result of Lessee's use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, or articles or appliances furnished or used under any quote.

## 13) SUBLEASES Lessee shall not enter into any sublease of the Equipment (a "Sublease"), except as approved

in writing by Lessor and provided:

- a) The sublessee must be an affiliate of Lessee;
- b) The sublessee is engaged in a business substantially similar to that of Lessee;
- c) The term of any Sublease does not extend beyond the term of this Lease Agreement;
- d) The rights of any sublessee are expressly subject and subordinate to all the terms of this Lease Agreement;
- e) The terms of any Sublease do not permit any sublessee to take any action not permitted to be taken by Lessee in this Lease Agreement; and
- f) The Sublease shall not relieve Lessee of its obligations under this Lease Agreement, and Lessee shall remain primarily liable under this Lease Agreement for the performance of all of the terms of this Lease Agreement to the same extent as if such Sublease had not occurred.

14) LOSS AND DAMAGE

- a) Lessee hereby assumes and shall bear the entire risk of loss of or damage to the Equipment from Lessee's negligent or intentional acts or omissions during the term of this Lease Agreement including but not limited to damage caused from and/or electrical surges, dips and/or sags, but excluding ordinary wear and tear resulting from proper care and use of the Equipment. If Lessor itself provides the repairs, the measure of said loss or damage shall be Lessor's then current "time and materials" charges for said repairs. If Lessor determines that any item of Equipment is lost, stolen, or damaged beyond repair due to the negligent or intentional acts of Lessee, Lessee, at the option of Lessor, shall: (a) replace same with like Equipment in good repair; or (b) pay Lessor in cash all of the following: (i) all amounts then due and payable by Lessee to Lessor under this Lease Agreement; and (ii) the unpaid balance of the total rent from the term of this Lease Agreement attributable to said item. No loss or damage to the Equipment or any part thereof shall impair any obligation of Lessee under this Lease Agreement, except that if said loss or damage is the result of negligent or intentional acts or omissions by Lessor or its agents, the obligation to pay rent shall abate to the extent that the Equipment is rendered unusable as a result of said loss or damage. In the event that maintenance is required, or damage is incurred to the Equipment, Lessee shall promptly provide notice of such occurrence to Lessor.

15) SUPPLIES

- a) LESSEE shall provide all supplies necessary for the Equipment to function properly.

16) SURRENDER

- a) Upon the expiration or earlier termination of this Lease Agreement, Lessee shall return the Equipment to Lessor in good repair, condition and working order, ordinary wear and tear resulting from proper use thereof alone excepted. It shall be Lessee's obligation to ensure that patients' protected health information is removed from the Equipment prior to its return to Lessor.



17) HOLDOVER

- a) If by the expiration of the term of this Lease Agreement, Lessee does not return the Equipment in the condition and on the terms and conditions set forth herein, Lessee shall continue to comply with all the terms and conditions of this Lease Agreement, including the obligation to pay 200% of the prorated daily Lease Fees for each day from the expiration of the term until the date on which Lessee returns the Equipment to Lessor in the manner required herein ("Holdover Rent") and any applicable taxes. Lessee shall not construe anything contained in this subparagraph, including Lessee's payment of Holdover Rent, as Lessor's (a) waiver of Lessee's failure to perform any obligation under this Lease Agreement, or (b) assent to the commencement of a Renewal Term (other than by Lessee's exercise of its option to extend as set forth herein).

18) NOTICES

- a) Service of all notices under this Lease Agreement shall be sufficient if given personally, or emailed, or mailed to the party involved at its respective address set forth herein, or at such address as such party may provide in writing from time to time. Any such notice mailed to such address shall be effective when deposited in the United States mail, duly addressed and with first class postage prepaid.

- 19) APPLICABLE LAW This Lease Agreement shall be deemed to have been entered into, and shall be interpreted and the rights, duties and liabilities of the parties determined in accordance with the laws of, the State of California. Lessee consents to the exclusive jurisdiction of any court of competent jurisdiction in the State of California in resolving disputes arising under this Lease Agreement.

20) ENTIRE AGREEMENT

- a) This Lease Agreement, including any and all Exhibits attached hereto, constitutes the entire agreement between Lessor and Lessee with respect to the subject matter contained herein and therein and supersedes all proposals or prior and contemporaneous understandings, agreements, representations and warranties, oral or written, and all other communications, oral or written between the parties with respect to such subject matter. This Lease Agreement shall not be amended, altered or changed except by a written agreement signed by the parties hereto.

21) ASSIGNMENT

- a) The Lease Agreement shall be binding upon and inure to the benefit of the parties hereto, their legal representatives, permitted successors and assigns. Lessee may not assign, by operation of law or otherwise, this Lease Agreement or any interest herein without Lessor's prior written consent, which consent shall not be unreasonably withheld. The Equipment is, and shall at all times be and remain, the sole and exclusive property of Lessor, and Lessee shall have no right, title or interest therein or thereto except as expressly set forth in this Lease Agreement. The Equipment is, and shall at all times be and remain, personal property notwithstanding that the Equipment or any part thereof may now be, or hereafter become, in any manner affixed or attached to or upon real property or any building thereof, or attached in any manner which is permanent.

22) TRUE LEASE AND UCC FILINGS

- a) The parties intend that this Lease Agreement constitutes a true lease under the Uniform Commercial Code (UCC) and not a disguised security interest. Lessor has title to the Equipment at all times. Lessee acquires no ownership, title, property, right, equity or interest in the Equipment other than its leasehold interest solely as lessee subject to all the terms and conditions of this Lease Agreement. Lessee authorizes Lessor to file precautionary UCC financing statements and other similar filings and recordings with respect thereto. Lessee agrees not to file any corrective or termination statements or partial releases with respect to any UCCs or other similar filings or recordings filed by Lessor in connection with any Item of Equipment except (i) if Lessor fails to file a corrective or termination statement or release on request from Lessee after the expiration or earlier termination of, or release from, any Schedule of such Item or Items of Equipment pursuant to any applicable provision of the Agreement or (ii) if not permitted by clause (i), with Lessor's consent.



23) ACCESS TO RECORDS

- a) Lessor agrees that upon the request of the Secretary of Health and Human Services or the Comptroller General or any authorized representatives of either of them, Lessor will allow them access to the contracts between Lessor and Lessee, and to Lessor's books, documents and records necessary to verify the cost of the contracts, until a date four (4) years from the date that services provided for under the contracts are furnished and to the extent that Lessor carries out any of its duties through a subcontract with a value or cost of \$10,000 or more over a 12-month period, with a related organization, the Lessor will require the sub-contractor related organization to make available, upon request, to the Secretary of Health and Human Services or the Comptroller General or their duly authorized representatives, the sub-contract and the books, documents and records of the related organization that are necessary to verify the cost of the sub-contract until a date four (4) years from the date that service is provided for under the subcontract are furnished.

24) LIMITED WARRANTY

- a) NO WARRANTIES OR REPRESENTATIONS, EXPRESSED OR IMPLIED, HAVE BEEN MADE BY LESSOR. THE LIMITED WARRANTY STATED IN THIS PARAGRAPH IS IN LIEU OF ANY AND ALL OTHER WARRANTIES. LESSOR DOES NOT WARRANT THAT THE EQUIPMENT IS MERCHANTABLE OR IS FOR ANY PARTICULAR PURPOSE. LESSOR MAKES NO WARRANTY AGAINST INTERFERENCE OR AGAINST INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK, TRADE SECRET OR OTHER PROPRIETARY RIGHTS OF A THIRD PARTY, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE. IN NO EVENT SHALL LESSOR BE LIABLE FOR CONSEQUENTIAL DAMAGES, LOST PROFITS, LOST SALES, INJURY TO PERSON OR DAMAGE TO PROPERTY, OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOSSES. NOTWITHSTANDING ANYTHING TO THE CONTRARY, NOTHING SHALL LIMIT LESSOR'S LIABILITY WITH RESPECT TO (I) ITS INDEMNITY OBLIGATIONS OR (II) THIRD-PARTY CLAIMS.

25) TAXES

- a) Lessee covenants to promptly report, file, pay and indemnify and hold Lessor harmless with respect to any and all Taxes, as hereinafter defined. The term "Taxes" as used herein shall mean ALL taxes (including sales, use, excise, personal property, ad valorem, stamp, documentary and other taxes), and all other governmental fees, charges and assessments (general or special) due, assessed or levied by any foreign, federal, state, county or local government or taxing authority, and any penalties, fines or interest thereon, which are imposed against, upon or relating to the lease thereof including the leases or receipts due under this Lease Agreement, but shall not include any taxes solely based upon or measured by the income of Lessor. Lessee will, upon request by Lessor, submit to Lessor written evidence of Lessee's payment of all Taxes due hereunder. Lessee shall file all tax returns for personal property taxes, and remit the amount thereof. Any tax returns filed by Lessee shall show Lessor as the owner of the Equipment.

26) ABSOLUTE LEASE

- a) This lease is irrevocable for the full term and for the aggregate leases as set forth in this Lease Agreement. Lessor and Lessee acknowledge and agree that this constitutes a net lease and that Lessee's obligation to pay all rent and any and all amounts payable by Lessee under this Lease Agreement shall be absolute and unconditional and shall not be subject to any abatement, reduction, setoff, defense, counterclaim, interruption, deferment or recoupment for any reason whatsoever, and that such payments shall be and continue to be payable in all events. Lessee acknowledges and agrees that Lessor is not the manufacturer of the Equipment, nor is Lessor the maintenance, repair or equipment warranty work provider and that Lessee will not offset, withhold or fail to make any payment to Lessor by reason of any claim related to the manufacture of the Equipment or a defect in the Equipment or to maintenance, repair, or warranty work.



27) EXHIBITS

- a) The attached Exhibits contain additional terms and conditions which are incorporated into this Lease Agreement.
  - i) Exhibit A – Equipment Details

28) MISCELLANEOUS PROVISIONS

- a) Paragraph headings used in this Lease Agreement are of no legal effect.
  - b) If any provision contained in this Lease Agreement is determined to be invalid, illegal or otherwise unenforceable, the remaining provisions shall be fully enforceable.
  - c) Any forbearance by either party from enforcing any term of this Lease Agreement shall not constitute a waiver of any right under this Lease Agreement, unless stated in writing.
  - d) This Lease Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. A copy of a signature received through telefax transmission or other electronic means (including in Adobe PDF or similar format) shall bind the party whose signature is so received as if such signature were an original.
  - e) All Exhibits to this Lease Agreement are expressly made a part of this Lease Agreement as fully as though completely set forth in this Lease Agreement.
- 29) Audits, Inspection and Retention of Records. Lessor agrees to maintain and make available to Lessee, accurate books and records relative to all its activities under this quote. Lessor shall permit Lessee to audit, examine and make excerpts and transcripts from such records, and to conduct audits or reviews of all invoices, materials, records or personnel or other data related to all other matters covered by this quote. Lessor 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 Lessee herein.
- 30) Health Insurance Portability and Accountability Act-HITECH. Lessor understands that Lessee is a Covered Entity that provides medical and mental health services and that I have no authorization to obtain access to any Protected Health Information ("PHI") in any form. If, in the course of my services, I see or hear 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 Lessee. The privacy and confidentiality of Lessee's patients are protected by Lessee policies and procedures, state laws and regulations and Federal HIPAA Regulations. If appropriate Lessor agrees to execute a business associate agreement with Lessee to supplement this quote if requested, subject to the Parties' agreement upon terms and conditions of the business associate agreement.
- 31) Disqualified Persons. Lessor 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 Lessee), (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. Lessor 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"), Lessor shall immediately notify Lessee and such individual shall be immediately removed by Lessor from any functions involving (i) the claims development and submission process, and (ii) any healthcare provider contact related to Lessee's patients; provided, however, that if Lessor is directly involved in the Enforcement Action, any agreement between Lessee and Lessor shall terminate immediately.
- 32) Non-collusion Covenant. Lessor 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 Lessee. Lessor has received no incentive or special payments, nor considerations, not related to the provision of services under this quote from Lessee.





33) Obligations of Lessee. The liabilities or obligations of Lessee with respect to its activities pursuant to this quote shall be the liabilities or obligations solely of Lessee and shall not be or become the liabilities or obligations of the County of Kern or any other entity, including the state of California.

LESSOR and LESSEE do each hereby agree and accept the terms and conditions set forth in this Lease Agreement.

Authorized Lessee Signature		Authorized Lessor Signature	
Upon signing and acceptance by an authorized representative, this document constitutes a contract and Lessee agrees to be bound by all the terms hereof.		Lessor by its acceptance hereof, agrees to provide the equipment listed on Exhibit A in accordance with the terms listed.	
Signature:		Signature: 	
Printed Name:		Printed Name: Stan Redd	
Title:	Date:	Title: VP	Date: 08-08-25

APPROVED AS TO FORM:  
Legal Services Department

By Phillip Jenkins  
Kern County Hospital Authority



## **EXHIBIT A - EQUIPMENT DETAILS**

### **LOCATION OF EQUIPMENT**

The Equipment to be leased will be delivered to and installed at the following location:

Kern Medical Hospital  
1700 Mount Vernon Ave.  
Bakersfield, CA 93309

### **DESCRIPTION OF EQUIPMENT:**

GE Healthcare HDxt HD30 Air Recon DL



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Retroactive Service Agreement Quotation 00195540 with Advanced Sterilization Products for sterilization equipment

**Requested Action:** Approve; Authorize Chairman to sign

**Summary:**

Kern Medical requests your Board approve the proposed Service Agreement Quotation, 00195540 with Advanced Sterilization Products (ASP), for service and maintenance of two Sterrad 100NX equipment in an amount not to exceed \$11,785 for the term of 3.5 months, starting July 8, 2025 through October 31, 2025. This equipment is used to rapidly sterilize medical instruments. This service agreement provides service and maintenance of 2 Sterrad 100NX equipment. The vendor, ASP, is currently providing cost effective and satisfactory service. Negotiations with the vendor had taken longer than expected and the current agreement expired on July 7, 2025. Continued service of machinery will require execution before August's board meeting.

Counsel is unable to approve the terms as to form because they are the unchanged changed terms of the vendor. These non-standard terms include the provision that the proposed Quotation is governed by Delaware law. Despite negotiations, counsel was unsuccessful in negotiating these terms.

Therefore, it is recommended that your Board approve the proposed Service Agreement Quotation, 00195540 with Advanced Sterilization Products (ASP), for service and maintenance of two Sterrad 100NX equipment in an amount not to exceed \$11,785 plus tax and shipping, and authorize the Chairman to sign.

## SERVICE AGREEMENT QUOTATION

### Return Signed Quotes To:

Advanced Sterilization Products Services, Inc.  
Email: ASP-ServiceContracts@asp.com

Quote Number 00201358  
Issue Date 8/6/2025 10:29 AM  
Expiration Date 9/6/2025

### Quotation Related Inquiries:

Advanced Sterilization Products Services, Inc.  
Phone: +1(888)783-7723  
www.asp.com

### Unit Coverage

SAP Number	US11-0008007856	Address	1700 MOUNT VERNON AVE
Account Name	KERN MEDICAL CENTER		BAKERSFIELD, California 93306-4018
			United States

### Line Items

Asset Account	Asset Product	Start Date	End Date	Sales Price	Net Price
US11-0008007856 KERN MEDICAL CENTER 1700 MOUNT VERNON AVE BAKERSFIELD, California 93306-4018	Unit: STERRAD(r) 100NX(TM) 1-DR Serial Number: 1041080167 Coverage: Full Service contract STERRAD 100NX Product: FULLMF77100NX	7/8/2025	10/31/2025	USD 18,540.00	USD 5,892.16
US11-0008016101 KERN MEDICAL CENTER 1700 MOUNT VERNON AVE BAKERSFIELD, California 93306-4018	Unit: ST100NX ALLClear 1-DR DUO Serial Number: 1047170088 Coverage: Full Service contract STERRAD 100NX Product: FULLMF77100NX	7/8/2025	10/31/2025	USD 18,540.00	USD 5,892.16

Pricing Condition	Quorum Healthcare 2022 Service Contract Price book	Net Price	USD 11,784.32
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In order to be eligible for the pricing listed above, Service Agreement must be purchased at the same time with the same end dates across all units.

### Customer Billing Information

To guarantee the quotation price on the service agreements for multiple years, the desired effective and expiration dates must clearly be stated on either the purchase order or on your company letterhead along with any special instructions such as how to obtain annual purchase orders for subsequent years of coverage.

Billing Account	KERN COUNTY HOSPITAL AUTHORITY
Billing Account	PO BOX 3519, BAKERSFIELD, California
Address	93385-0000, US

### Billing Corrections or Request for Change

**Note: Billing changes contingent upon verification by Advanced Sterilization Products Services, Inc.**

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

**Customer Purchase Order Contact**

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

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



## SERVICE AGREEMENT QUOTATION

Billing City, State, Zip: \_\_\_\_\_

Title: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

### Accounts Payable Contact

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

Title: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

## Advanced Sterilization Products Services Inc. TERMS and CONDITIONS

[www.asp.com/services/terms-and-conditions](http://www.asp.com/services/terms-and-conditions)

I understand and agree that the present Service Agreement Quotation and the Service Agreement terms and conditions together represent a binding offer on the part of Seller for the products covered in the Service Agreement Quotation ("the Offer") and that my signature on the Offer constitutes irrevocable acceptance of the Offer and the entire agreement between the parties concerning the subject matter of the Offer and supersedes all prior negotiations and agreements between the parties concerning the subject matter of this agreement. This Offer will expire on the Expiration Date set forth above unless signed below by the customer prior to such Expiration Date.

➡ Signature: \_\_\_\_\_

➡ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

➡ Printed Name: \_\_\_\_\_

➡ Title: \_\_\_\_\_

➡ Purchase Order # \_\_\_\_\_

➡ **Purchase Order Coverage** (Please mark with "X")  
☐ PO Covers Entire Period ☐ PO Provided Annually

Select "PO Covers Entire Period" checkbox if all Line Items listed above are included in initial purchase order

➡ **Invoice Billing Interval** (Please mark with "X")  
☐ Annually ☐ Semi-Annual ☐ Quarterly

If Billing Interval is left blank or unchecked, Billing Interval on invoices will default to prior service contract billing interval. If no prior contract was available, the Billing Interval on invoices will default to "Annually".

REVIEWED ONLY  
NOT APPROVED AS TO FORM

**Please issue PO to:** Advanced Sterilization Products Services Inc.,  
33 Technology Drive Irvine CA 92618

By Phillip Jenkins,  
Kern County Hospital Authority



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Agreement with JTS Construction, for the new CT machine replacement

**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 JTS Construction in the amount of \$359,500; 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 \$395,450

**Summary:**

Kern Medical requests your Board approve a construction agreement with JTS Construction in the amount of \$359,500 for the new CT machine replacement project. The project is necessary because the current CT unit is outdated and requires frequent repairs, resulting in operational disruptions and increased maintenance costs. Replacing the unit will improve imaging reliability, patient throughput, and clinical efficiency.

A formal competitive bid process was conducted and bids were received from three companies. JTS Construction submitted the lowest responsible bid.

The project scope includes facility modifications and infrastructure updates necessary to install and support the new CT scanner. Because this project involves minor modifications to existing space, replaces an existing system with no increase in capacity, and poses no foreseeable environmental impact, it is exempt from further CEQA review.

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 the State CEQA Guidelines; approve the agreement with JTS Construction in the amount of \$359,500; authorize the Chairman to sign the agreement; and authorize the Chief Executive Officer to approve and sign future change orders in an amount not to exceed 10% of the original contract price, bringing the total not-to-exceed contract value to \$395,450.



DOCUMENT 00500

AGREEMENT

THIS AGREEMENT, dated this 20th day of August, is by and between JTS Construction whose place of business is located at P.O Box 41765 Bakersfield, CA, 93384 ("Contractor"), and the KERN COUNTY HOSPITAL AUTHORITY, a local unit of government (hereinafter "Owner and/or Authority"), acting under and by virtue of the authority vested in Owner by the laws of the State of California

WHEREAS, in consideration for the promises and payment to be made and performed by Authority, and under the conditions expressed in the incorporated Bid Proposal (Bid), bonds and related papers, Contractor agrees to do all the work and furnish all the materials at the expense of Contractor (except such as the Specifications state will be furnished by Authority) necessary to construct and complete in a good and workmanlike manner to the satisfaction of the Chief Executive Officer for the Kern County Hospital Authority all the work shown and described in the plans and specifications for the project known as:

**CT Scan Room Remodel**

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, Contractor and Owner agree as follows:

**ARTICLE 1 - SCOPE OF WORK OF THE CONTRACT**

**1.01 Work of the Contract**

- A. Contractor shall complete all Work specified in the Contract Documents, in accordance with the Specifications, Drawings, and all other terms and conditions of the Contract Documents (**Work**).

**1.02 Price for Completion of the Work**

- A. Owner shall pay Contractor the following Contract Sum **Three Hundred Fifty-Nine Thousand, Five Hundred dollars (\$359,500)** for completion of Work in accordance with Contract Documents as set forth in Contractor's Bid, attached hereto.

**ARTICLE 2 - COMMENCEMENT AND COMPLETION OF WORK**

**2.01 Commencement of Work**

- A. Contractor shall commence Work on the date established in the Notice to Proceed (**Commencement Date**).
- B. Owner reserves the right to modify or alter the Commencement Date.

**2.02 Completion of Work**

- A. Contractor shall achieve Final Completion of the entire Work **85 Working Days**, as defined in Document 01422, from the Commencement Date.

**ARTICLE 3 - LIQUIDATED DAMAGES FOR DELAY IN COMPLETION OF WORK**

**3.01 Liquidated Damage Amounts**

- A. As liquidated damages for delay Contractor shall pay Owner one thousand dollars (\$1,000) for each Calendar Day that expires after the time specified herein for Contractor to achieve Final Completion of the entire Work, until achieved.

### **3.02 Scope of Liquidated Damages**

- A. Measures of liquidated damages shall apply cumulatively.
- B. Limitations and stipulations regarding liquidated damages are set forth in Document 00700 (General Conditions).

## **ARTICLE 4 - CONTRACT DOCUMENTS**

- 4.01** Contract Documents consist of the following documents, including all changes, Addenda, and Modifications thereto:

Document 00001	Title Page
Document 00100	Notice to Contractors
Document 00200	Instruction to Bidders
Document 00300	Geotechnical Data and Existing Conditions
Document 00410	Bid Form
Document 00412	Bidder Registration Form
Document 00431	Subcontractors List
Document 00452	Non-Collusion Declaration
Document 00455	Bidder Certifications
Document 00500	Agreement
Document 00501	Proposed Contract Documents Transmittal
Document 00601	Construction Performance Bond
Document 00602	Construction Labor and Material Payment Bond
Document 00603	Guaranty
Document 00590	Release of Claims
Document 00700	General Conditions
Document 00738	Apprenticeship Programs
Document 00800	Supplementary Conditions – Insurance
Master Specifications	Divisions 1 through 16
Drawings	

- 4.02** There are no Contract Documents other than those listed above. The Contract Documents may only be amended, modified or supplemented as provided in Document 00700 (General Conditions).

## **ARTICLE 5 – LIABILITY OF AUTHORITY**

- 5.01** 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.

## **ARTICLE 6 – MISCELLANEOUS**

- 6.01** Terms and abbreviations used in this Agreement are defined in Document 00700 (General Conditions) and Section 01422 (Definitions) and will have the meaning indicated therein.
- 6.02** It is understood and agreed that in no instance are the persons signing this Agreement for or on behalf of Owner or acting as an employee, agent, or representative of Owner, liable on this Agreement or any of the Contract Documents, or upon any warranty of authority, or otherwise, and it is further understood and agreed that liability of Owner is limited and confined to such liability as authorized or imposed by the Contract Documents or applicable law.
- 6.02** In entering into a public works contract or a subcontract to supply goods, services or materials pursuant to a public works contract, Contractor or Subcontractor offers and agrees to assign to the awarding body all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. §15) or under the Cartwright Act (Chapter 2 (commencing



with §16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time Owner tenders final payment to Contractor, without further acknowledgment by the parties.

- 6.03 This project is subject to prevailing wage laws. Copies of the general prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute the Contract, as determined by Director of the State of California Department of Industrial Relations, are deemed included in the Contract Documents and on file at Owner's Office, and shall be made available to any interested party on request. Pursuant to California Labor Code §§ 1860 and 1861, in accordance with the provisions of Section 3700 of the Labor Code, every contractor will be required to secure the payment of compensation to his employees. Contractor represents that it is 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 Contractor shall comply with such provisions before commencing the performance of the Work of the Contract Documents.
- 6.04 This Agreement and the Contract Documents shall be deemed to have been entered into in the County of Kern, State of California, and governed in all respects by California law (excluding choice of law rules). The exclusive venue for all disputes or litigation hereunder shall be in the Superior Court for the County of Kern.

IN WITNESS WHEREOF the parties have executed seven original Agreements on the day and year first above written.

APPROVED AS TO FORM:  
HOSPITAL COUNSEL

By   
Phillip Jenkins, Hospital Counsel

KERN COUNTY HOSPITAL AUTHORITY

By Philip McLaughlin, Chair Board of Governors

"AUTHORITY"

APPROVED AS TO CONTENT:  
KERN MEDICAL HOSPITAL

By Tyler Whitezell, COO

By Scott Thygerson, CEO

James E. Thompson, Inc., dba JTS Construction  
Contractor's Name

CA Corporation  
Type of Entity  
(corporation, partnership, sole proprietorship)

By   
Signature

Lee Hawkins  
Typed Name

President  
Title of Individual Executing  
Document on behalf of Firm

"CONTRACTOR"

**NOTICE:** CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND ARE REGULATED BY CONTRACTORS' STATE LICENSE BOARD. QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR OF THAT BOARD, WHOSE ADDRESS IS: CONTRACTORS' STATE LICENSE BOARD, 1020 "N" STREET, SACRAMENTO, CALIFORNIA 95814.

**END OF DOCUMENT**

**DOCUMENT 00603**

**GUARANTY**

TO: THE KERN COUNTY HOSPITAL AUTHORITY (hereinafter "Owner"), for construction of  
CT Scan Remodel Contract (10121), at Kern Medical, 1700 Mt. Vernon Avenue,  
Bakersfield, CA 93306.

The undersigned guarantees all construction performed on this Project and also guarantees all material and equipment incorporated therein.

Contractor hereby grants to Owner for a period of one year following the date of Final Acceptance of the Work completed, or such longer period specified in the Contract Documents, its unconditional warranty of the quality and adequacy of all of the Work including, without limitation, all labor, materials and equipment provided by Contractor and its Subcontractors of all tiers in connection with the Work.

Neither final payment nor use nor occupancy of the Work performed by the Contractor shall constitute an acceptance of Work not done in accordance with this Guaranty or relieve Contractor of liability in respect to any express warranties or responsibilities for faulty materials or workmanship. Contractor shall remedy any defects in the Work and pay for any damage resulting therefrom, which shall appear within one year, or longer if specified, from the date of Final Acceptance of the Work completed.

If within one year after the date of Final Acceptance of the Work completed, or such longer period of time as may be prescribed by laws or regulations, or by the terms of Contract Documents, any Work is found to be Defective, Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions, correct such Defective Work. Contractor shall remove any Defective Work rejected by Owner and replace it with Work that is not Defective, and satisfactorily correct or remove and replace any damage to other Work or the work of others resulting therefrom. If Contractor fails to promptly comply with the terms of such instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the Defective Work corrected or the rejected Work removed and replaced. Contractor shall pay for all claims, costs, losses and damages caused by or resulting from such removal and replacement. Where Contractor fails to correct Defective Work, or defects are discovered outside the correction period, Owner shall have all rights and remedies granted by law.

Inspection of the Work shall not relieve Contractor of any of its obligations under the Contract Documents. Even though equipment, materials, or Work required to be provided under the Contract Documents have been inspected, accepted, and estimated for payment, Contractor shall, at its own expense, replace or repair any such equipment, material, or Work found to be Defective or otherwise not to comply with the requirements of the Contract Documents up to the end of the guaranty period.

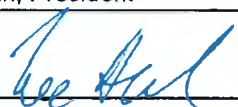
All abbreviations and definitions of terms used in this Agreement shall have the meanings set forth in the Contract Documents.

//

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The foregoing Guaranty is in addition to any other warranties of Contractor contained in the Contract Documents, and not in lieu of, any and all other liability imposed on Contractor under the Contract Documents and at law with respect to Contractor's duties, obligations, and performance under the Contract Documents. In the event of any conflict or inconsistency between the terms of this Guaranty and any warranty or obligation of the Contractor under the Contract Documents or at law, such inconsistency or conflict shall be resolved in favor of the higher level of obligation of the Contractor.

7/30/2025  
Date  
  
JTS Construction  
Contractor

Lee Hawkin, President  
Name/Title  
  
Signature

**For maintenance, repair or replacement service contact:**

Troy Brookins - JTS Construction  
Name  
  
PO Box 41765  
Address  
  
Bakersfield, CA 93384  
City, State, and Zip

661-835-9270  
Telephone  
  
661-978-6727  
Alt. Telephone

END OF DOCUMENT



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Third Amendment to Agreement 23316 with the Board of Trustees of the Leland Stanford Junior University, on behalf of the California Maternal Quality Care Collaborative / California Perinatal Quality Care Collaborative within the School of Medicine (CMQCC) for the participation in the Maternal Data Center (MDC)

**Requested Action:** Approve; Authorize Chairman to sign

**Summary:**

Kern Medical has participated in the California Maternal Quality Care Collaborative's (CMQCC) MDC beginning in October 2016, as a requirement of the Public Hospital Redesign and Incentives in Medi-Cal (PRIME) program for capturing and reporting two (2) of the program metrics. The PRIME program was replaced by the Quality Incentive Program (QIP), which maintains the two (2) metrics required to be reported out the MDC.

On September 21, 2022, your Board approved the Second Amendment to this Agreement, extending it for three years through September 30, 2025.

The proposed Amendment extends the agreement by three (3) years through September 30, 2028. Participation in the MDC continues to be a requirement of the QIP program. Participation in the MDC is \$11,900.00, per year, with increases annually at CMQCC's discretion, but historically we have been successful in obtaining a grant through CMQCC to reduce the cost.

Therefore, it is recommended that your Board approve the proposed Amendment to Agreement 23316 with CMQCC, for capturing and reporting of program metrics, and authorize the Chairman to sign.

## **CALIFORNIA MATERNAL QUALITY CARE COLLABORATIVE THIRD AMENDMENT TO PARTICIPATION AGREEMENT**

The California Maternal Quality Care Collaborate Participation Agreement (“Participation Agreement” or “Agreement”) effective as of October 1, 2016 (“Effective Date”), and previously amended with the First Amendment on October 1, 2019, and with the Second Amendment on October 1, 2022, (collectively, the “Participation Agreement” or “Agreement”), by and between The Board of Trustees of the Leland Stanford Junior University, on behalf of the California Maternal Quality Care Collaborative / California Perinatal Quality Care Collaborative within the School of Medicine (“CMQCC” or “Collaborative”), and the Kern County Hospital Authority, a local unit of government, which owns and operates Kern Medical Center (“Participant”), is hereby amended as set forth below effective October 1, 2025 (“Third Amendment”).

The purpose of this Third Amendment is to extend the term of the Agreement and to revise or update certain other provisions of the Agreement.

1. **Terms.** Capitalized terms not defined herein shall be given the same meaning as set forth in the Agreement.
2. **Amendments.** The Participation Agreement shall be amended as follows:
  - a. Section 4 (a) shall be deleted in its entirety and replaced with the following:

4 (a). The initial term of the Participation Agreement (“Initial Term”) is for a period of three (3) years beginning on the Effective Date. Upon expiration of the Initial Term, this Participation Agreement may be renewed upon written agreement of the parties for an additional three-year term (“Renewal Term”). Per this Third Amendment, upon expiration of the Second Renewal Term, the Agreement shall be effective for an additional three-year term (the “Third Renewal Term”), through September 30, 2028.

- b. Section 6.a “Fees” shall be amended and replaced with the language below; and Section 6.b “Invoicing” and Section 6.c “Payment” shall be added to Section 6 “Fees and Payment”. 6.b and 6.c were inadvertently deleted in the Second Amendment and are hereby restored to this Agreement.

### **6. Fees and Payment.**

- a) Fees. In consideration of the services provided under this Agreement, Participant agrees to pay CMQCC an annual membership fee of \$11,900. Participant may be eligible for various discounts contingent on additional funding that CMQCC may have available.

CMQCC reserves the right to increase fees and /or modify the discount framework from year to year; the updated fee and discount options will be posted on the CMQCC website no later than October 1<sup>st</sup> of each year for the next calendar year’s

annual membership fee. In addition, CMQCC reserves the right to impose certain reasonable late fees on Participant for late payment of the annual membership fee.

- b) Invoicing: CMQCC shall issue an invoice for Participant's entire yearly fee one time per year to the following Participant addresses:

Name: John Mills  
Title: Senior Director of Finance  
Organization/Department: Administration  
Address: PO Box 3519, Bakersfield, CA 93385  
Phone number: 661-862-4130  
E-mail address: [john.mills@kernmedical.com](mailto:john.mills@kernmedical.com)

- c) Payment. Upon receipt of the invoice, Participant shall submit payment for the entire amount to CMQCC by the payment due date indicated on the invoice. Checks should be made payable to "Stanford University" and submitted to the address indicated on the invoice.

- c. In Attachment A "Business Associate Agreement" to the California Maternal Quality Care Collaborative Participation Agreement, Section 5.7 "Notices" is amended, in part, to update the contact information for notices to Business Associate:

If to Business Associate, to:

Stanford University  
Office of the Chief Risk Officer  
Attn: Chief Privacy Officer  
505 Broadway, 6<sup>th</sup> Floor (Mail Code: 6212)  
Redwood City, CA 94063

With a copy to:

Stanford University  
Office of General Counsel  
Attn: University Counsel for School of Medicine  
Building 170, Third Floor, Main Quad  
P.O. Box 20386  
Stanford CA 94305-2038

3. **Entire Agreement.** This Third Amendment and the amended Participation Agreement contain the entire agreement of the Parties. It may not be changed orally, but only by an agreement in writing, signed by the Party against whom enforcement of any waiver, change, modification, extension, or discharge is sought.
4. **Binding Effect.** This Third Amendment shall be binding on and inure to the benefit of the heirs, legal representatives, successors, and assigns of the Parties; it being understood,

however, that the rights hereunder are personal to the Parties, and neither Party may assign its interest in or obligations under this Amendment without the prior written consent of the other Party.

5. **Electronic Signatures.** The Parties to this Third Amendment agree that a copy of the original signature (including an electronic copy) may be used for any and all purposes for which the original signature may have been used. The Parties further waive any right to challenge the admissibility or authenticity of this Third Amendment in a court of law based solely on the absence of an original signature.
6. **Counterparts; Facsimiles.** This Third Amendment and any subsequent amendment to it may be executed in counterparts and all of these counterparts together shall be deemed to constitute one and the same agreement. Facsimile or .pdf copies hereof shall be deemed to be originals.

*[Remainder of Page Intentionally Left Blank]*



IN WITNESS WHEREOF, the Parties' authorized representatives as designated by each participating institution attest to and execute this Third Amendment, effective as of October 1, 2025.

**THE BOARD OF TRUSTEES OF THE  
LELAND STANFORD JUNIOR UNIVERSITY**

By: Victoria Leyton  
Electronically signed by: Victoria  
Leyton  
Reason: I have reviewed and am  
approving this document.  
Date: Aug 6, 2025 12:16:59 PDT

Name: Victoria Leyton

Title: Assistant Dean, Research Operations,  
Research Management Group, Stanford  
University, School of Medicine

Date: 08/06/2025

**PARTICIPANT: KERN COUNTY HOSPITAL  
AUTHORITY**

By: \_\_\_\_\_

Name: Philip McLaughlin

Title: Chair, Board of Governors

[Erin.kavanagh@kernmedical.com](mailto:Erin.kavanagh@kernmedical.com)  
[kevin.jenson@kernmedical.com](mailto:kevin.jenson@kernmedical.com)

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

**READ AND UNDERSTOOD:**

By: Leslie Kowalewski  
Electronically signed by: Leslie Kowalewski  
Reason: I have reviewed and am approving  
this document.  
Date: Aug 6, 2025 17:57:21 PDT

Name: Leslie A. Kowalewski

Title: Executive Director of Maternal, Child, and  
Family Health (CMQCC/CPQCC)

Date: 08/06/2025

**APPROVED AS TO FORM**

By: Philip J. McLaughlin  
Legal Services Department





**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Ordering Document CPQ-4013564 with Oracle America, Inc. for the onboarding of a new legacy data platform

**Recommended Action:** Approve; Authorize Chairman to sign

**Summary:**

Kern Medical requests that your Board approve the proposed Ordering Document CPQ-4013564 with Oracle America, Inc. for the onboarding of a new legacy data platform, Anthem data source, as the former data platform, HealthNet, is no longer active. The HealthNet data platform was purchased prior to the implementation of the Cerner/Oracle Electronic Health Record, so the cost was included in those implementation invoices. The purchase and implementation of the new legacy software is for a twelve (12) month term with a not to exceed of \$10,128.

Oracle America, Inc. will provide professional services to implement the data acquisition process, which includes configuring data ingestion, file mapping, and source validation for Anthem claims data. Retaining access to this data is critical for Kern Medical's Quality Incentive Program (QIP) membership data submissions and funding purposes. Failure to onboard Anthem as a new data source will result in operational challenges, increased manual labor costs, and could jeopardize critical reporting and funding streams.

Counsel is unable to approve due to non-standard terms which include third party products and services with pass-through provisions, which are accepted without Counsel approval, and changes to costs with little to no negotiation.

Therefore, it is recommended that your Board approve the proposed Ordering Document CPQ-4013564 with Oracle America, Inc., for a not to exceed of \$10,128, with a term of twelve (12) months, effective August 20, 2025, and authorize the Chairman to sign.

**Kern County Hospital Authority**  
1830 Flower St  
Bakersfield CA, 93305  
US

**Contact**  
Sandra Bakich  
+1 (661) 862-8110  
sandy.bakich@kernmedical.com

**Oracle America, Inc.**  
500 Oracle Parkway  
Redwood Shores, CA  
94065

Fee Summary

Fee Description	Net Fees	Monthly Fees	Annual Fees
Recurring Services	--	94.00	--
Professional Services -- Fixed Price	7,500.00	--	--
Professional Services -- Estimated Expenses	1,500.00	--	--
Total Fees	9,000.00	94.00	0.00

## Billing Frequency

Description	Amount Due	Payment Due
Professional Services -- Estimated Expenses	100%	Monthly in arrears
Professional Services -- Fixed Price	100%	Upon order execution
Recurring Services	100%	Annually in advance, beginning when access issued

## Ordered Items

### Recurring Services

Part Number	Description	Term	Pass-Through Code	Quantity	Unit Net Price	Extended Monthly Fees
B100164	Oracle Health Data Acquisition - Claims_CCDA - Connection	12 mo	--	1	94.00	94.00
Subtotal						94.00

### Professional Services

#### Professional Services - Fixed Price

Part Number	Description	Service Descriptions	Pass-Through Code	Net Fees
B104201	Oracle Health Data Acquisition - Claims_CCDA Implementation - Connection [Data Acquisition]	Attached	--	7,500.00
Subtotal				7,500.00

#### Professional Services - Estimated Expenses

Part Number	Description	Estimated Fees
B102173	Oracle Health Travel and Expenses for Commercial Estimate - Each [Travel and Expenses]	1,500.00
Subtotal		1,500.00

## 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 # 2016-36) 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. Oracle may increase the monthly fee for each Ordered Item identified as Licensed Software Support, Equipment Support, Sublicensed Software Support, Recurring Services, Transaction Services, Professional Services -- Recurring, Application Management Services, and Managed Services in the table(s) above any time following the initial 12 month term after such recurring service fees begin (but not more frequently than once in any 12 month period) by giving You 60 days prior notice of the price increase. The amount of such annual increase will be no more than 3%. Oracle may also increase the fees at any time during the term if an Oracle third party increases the fees to be paid by Oracle, with such increase being limited to the amount of increase in Oracle's fee to the third party.

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 v061525 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. Solution Descriptions.**

Solution Descriptions applicable to each Ordered Item identified as Licensed Software, Recurring Services or Transaction Services in the table(s) above are available on <http://www.oracle.com/contracts> on the Oracle Health tab. The Solution Description is identifiable by the Part Number in the table(s) above. These Solution Descriptions are incorporated into this order by reference.

#### **c. Shared Computing Services.**

You understand that Oracle may deliver the products and services on this order in a Shared Computing Services model. The policies that govern the Shared Computing Services model are available at <http://www.oracle.com/contracts> on the Oracle Health tab and are incorporated into this order by reference.

#### **d. 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. Recurring Services**

a. The services term for all Ordered Items identified as Recurring Services in the table(s) above begins as set forth in the Billing Frequency table above.

### **5. Professional Services**

#### **a. Oracle Health Professional Services Delivery Policies.**

The Oracle Health Professional Services Delivery Policies ("Health PSDP") available at <http://www.oracle.com/contracts> on the Oracle Health tab apply to and are incorporated into this order.

#### **b. Service Descriptions.**

Service Descriptions applicable to each Ordered Item identified as Professional Services in the table(s) above may be found (i) at <http://www.oracle.com/contracts> on the Oracle Health Tab (where identified as "Online" in the Professional Services table(s)), or (ii) as an attachment to this order (where identified as "Attached" in the Professional Services table(s)). These Service Descriptions are incorporated into this order by reference.

**c. Estimated Expenses.**

Fees for Professional Services identified in this order as "Professional Services -- Estimated Expenses" are estimates intended only to be for Your budgeting purposes and may exceed the estimated totals; these estimates do not include taxes. Actual expenses shall be invoiced as incurred, in accordance with the Billing Frequency table.

d. As required by U.S. Department of Labor regulations (20 CRF 655.734), You will allow Oracle to post a notice regarding Oracle H-1B employee(s) at the work site prior to the employee's arrival on site.

**e. Estimated Fees.**

Fees for Professional Services identified in this order as "Professional Services -- Time and Materials" are estimates intended only to be for Your budgeting and Oracle's resource scheduling purposes and may exceed the estimated totals: these estimates do not include taxes. For Professional Services performed on a time and materials (T&M) basis, You shall pay Oracle for all of the time spent performing such services at the rate specified in the Ordered Items table(s) above, plus materials and taxes. Once fees for Professional Services reach the estimate and upon amendment to this order, Oracle will cooperate with You to provide continuing Professional Services on a T&M basis.

**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 31-Aug-2025 and shall become binding upon execution by You and acceptance by Oracle.

**B. Additional Order Terms**

**1. Credit Card or PayPal Payments**

Please note that if the pre-tax value of this order is USD 2,000 or less, the Ordered Items listed on this order must be purchased by credit card or PayPal. Purchase orders and checks are no longer accepted for transactions of this size. If this order is an expansion or renewal of the Ordered Items, the preceding provision does not apply.

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	<u>Phil McLaughlin</u>
Title	<u>Chairman, Board of Governors</u>
Signature Date	<u>August 20, 2025</u>

Oracle America, Inc.	
Signature	<i>Jessica King</i>
Name	Jessica King
Title	Senior Director, NA Customer Deal Desk
Signature Date	4-Aug-2025 08:27 AM PDT

REVIEWED ONLY  
NOT APPROVED AS TO FORM

By *Shannon Hochstein*  
Kern County Hospital Authority

# Oracle Health Data Acquisition - Claims\_CCDA Implementation – Connection

Part #: B104201

Cerner Legacy Part #: HP-10201C

<b>Description of Services</b>	<p>Oracle will provide the following Implementation Services:</p> <ul style="list-style-type: none"><li>• Facilitate project meetings which may include: (i) a kickoff meeting (ii) project status meeting(s), or (iii) any other meeting(s) as mutually agreed upon between the parties.</li><li>• Provide You with Oracle Population Health Platform flat file specifications where applicable.</li><li>• Provide You guidance with file delivery strategy to transmit files to the Oracle Population Health Platform.</li><li>• Load historical and ongoing data files received from You into one (1) Oracle Population Health Platform production environment.</li><li>• Configure Oracle Population Health Platform production environment and test Oracle Health-side interface connectivity.</li><li>• Perform the following Oracle Population Health Platform data ingestion mapping:<ul style="list-style-type: none"><li>◦ Structurally map Your raw data to Oracle Population Health Platform data models.</li><li>◦ Identify inaccurate and incomplete data and provide to You for review.</li><li>◦ Standardize proprietary codified data to Oracle Population Health Platform supported industry vocabularies.</li></ul></li><li>• Perform Your data source validation for checks such as volume, consistency, completeness, validity and referential integrity and provide findings to the You.</li></ul>
<b>Your Cooperation / Obligations</b>	<p>You are responsible for the following obligations:</p> <ul style="list-style-type: none"><li>• Obtain the proper permission, including, if applicable, Data Usage Agreements (DUAs) with contributing source systems including but not limited to Clinically Integrated Network (CIN) members, Accountable Care Organization (ACO) participants, clinical practices, or other related entities.</li><li>• Extract and transform data from source system.</li><li>• Provide Oracle Health with proprietary file specifications, data dictionaries or code crosswalks.</li><li>• Provide Oracle Health the Utilization Summary Report (payer report) or any relevant supplemental documents within a defined time period; the reports will be used for validation comparisons.</li><li>• Provide Oracle access to historical and ongoing extracts and updates.</li><li>• Provide Oracle access to data operations and clinical super user role.</li><li>• Review and acknowledge the findings from the data source validation.</li><li>• Review and verify the raw data is comprised of high fidelity and quality data.</li></ul>
<b>Assumptions</b>	<ul style="list-style-type: none"><li>• The Services will be performed remotely.</li><li>• The Services are limited to the Oracle Population Health Platform.</li><li>• The Oracle Population Health Platform can receive data using the following protocols for these specific population health subsets of data:<ul style="list-style-type: none"><li>◦ Population enrollment requirements:<ul style="list-style-type: none"><li>▪ Data is loaded using one or a combination of: Comma-Separated Value (.CSV), Fixed-width, or HIPAA X12 5010 compliant file format.</li></ul></li><li>◦ Medical claims data from payer or billing system and pharmacy claims data from a pharmacy benefit manager, requirements:<ul style="list-style-type: none"><li>▪ Includes file types such as medical, pharmacy, professional, and institutional.</li><li>▪ Data is loaded using one or a combination of: .CSV, Fixed-width, or HIPAA X12 5010 compliant file format.</li></ul></li><li>◦ Other relevant files that may include laboratory results, from a payer:<ul style="list-style-type: none"><li>▪ Data is loaded using one or a combination of: .CSV or Fixed-width.</li></ul></li></ul></li><li>• Data is sent on an agreed upon schedule.</li><li>• Data may include an historical load.</li></ul>

## 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	Sandra Bakich +1 (661) 862-8110 sandy.bakich@kernmedical.com

### Ship To Contact

Customer Name	Customer Address	Contact Name / Phone / Email
Kern County Hospital Authority	1830 Flower St Bakersfield, CA US 93305	Sandra Bakich +1 (661) 862-8110 sandy.bakich@kernmedical.com





**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed acceptance of donation of travel and related expenses from Intuitive Surgical, Inc., for the 10th Annual Intuitive 360

**Recommended Action:** Approve; Adopt Resolution

**Summary:**

The Authority's conflict of interest policy prohibits employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment.

Intuitive Surgical, Inc. is an American biotechnology company that develops, manufactures, and markets robotic products designed to improve clinical outcomes of patients through minimally invasive surgery, most notably with the da Vinci Surgical System. Intuitive Surgical, Inc. has offered to donate to the Authority travel and related expenses for two Authority employees to attend the 10th Annual Intuitive 360, an annual conference for executive, clinical, and operational leadership focusing on robotic service line development and the surgical care team, in Chula Vista, California, from September 4-6, 2025. This training session is necessary in connection with official Authority business.

Kern Medical recommends your Board adopt the attached proposed resolution to accept the travel donation from Intuitive Surgical, Inc. for travel and related expenses and authorize the Chief Executive Officer to designate two employees to attend this important conference.

**BEFORE THE BOARD OF GOVERNORS  
OF THE KERN COUNTY HOSPITAL AUTHORITY**

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In the matter of:

Resolution No. 2025-\_\_\_\_

**ACCEPTANCE OF DONATION OF TRAVEL  
AND RELATED EXPENSES FROM INTUITIVE  
SURGICAL, INC. FOR THE 10th ANNUAL  
INTUITIVE 360**

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I, MONA A. ALLEN, Authority Board Coordinator for the Kern County Hospital Authority, hereby certify that the following Resolution, on motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, was duly and regularly adopted by the Board of Governors of the Kern County Hospital Authority at an official meeting thereof on the 20th day of August, 2025, by the following vote, and that a copy of the Resolution has been delivered to the Chairman of the Board of Governors.

AYES:

NOES:

ABSENT:

**MONA A. ALLEN**  
Authority Board Coordinator  
Kern County Hospital Authority

---

Mona A. Allen

---

**RESOLUTION**

Section 1. WHEREAS:

(a) The conflict of interest policy for the Kern County Hospital Authority (“Authority”) prohibits Authority employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment; and

(b) Intuitive Surgical, Inc. is an American biotechnology company that develops, manufactures, and markets robotic products designed to improve clinical outcomes of patients through minimally invasive surgery, most notably with the da Vinci Surgical System utilized by the surgeons at Kern Medical Center; and

(c) Intuitive Surgical, Inc. has offered to donate to the Authority travel and related expenses for two Authority employees to attend the 10th Annual Intuitive 360, an annual conference for executive, clinical, and operational leadership focusing on robotic service line development and the surgical care team, in Chula Vista, California, from September 4-6, 2025; and

(d) The training session is necessary in connection with official Authority business; and

(e) The Authority desires to obtain the donation of travel and related expenses from Intuitive Surgical, Inc. to the Authority and will retain full control over the use of the donation; and

(f) There are no restrictions as to how the donation may be used.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Governors of the Kern County Hospital Authority, as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. This Board hereby accepts from Intuitive Surgical, Inc. the donation of travel and related expenses for two Authority employees to travel to Chula Vista, California, to attend the 10th Annual Intuitive 360 from September 4-6, 2025.

3. This Board authorizes the Chief Executive Officer to designate two Authority employees to attend the 10th Annual Intuitive 360 from September 4-6, 2025, in Chula Vista, California.

4. The Authority Board Coordinator shall provide copies of this Resolution to the following:

Chief Financial Officer  
Legal Services Department  
Human Resources Department



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed acceptance of donation of travel and related expenses from Public Risk Innovation, Solution, and Management (PRISM) for the PRISM 2025 Annual Conference

**Recommended Action:** Approve; Adopt Resolution

**Summary:**

The Authority's conflict of interest policy prohibits employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment.

Public Risk Innovation, Solution, and Management ("PRISM") provides insurance coverage for the Authority's liability program. PRISM has offered to donate to the Authority all travel and related expenses for two Kern Medical employees to attend the PRISM 2025 Annual Conference in San Diego, California, from September 30-October 3, 2025. This training session is necessary in connection with official Authority business.

Therefore, Kern Medical recommends your Board adopt the attached proposed resolution to accept the travel donation from PRISM for travel and related expenses and authorize the Chief Executive Officer to designate two employees to attend this important conference.

**BEFORE THE BOARD OF GOVERNORS  
OF THE KERN COUNTY HOSPITAL AUTHORITY**

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In the matter of:

Resolution No. 2025-\_\_\_\_

**ACCEPTANCE OF DONATION OF  
TRAVEL AND RELATED EXPENSES  
FROM PRISM FOR THE PRISM 2025  
ANNUAL CONFERENCE**

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I, MONA A. ALLEN, Authority Board Coordinator for the Kern County Hospital Authority, hereby certify that the following Resolution, on motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, was duly and regularly adopted by the Board of Governors of the Kern County Hospital Authority at an official meeting thereof on the 20th day of August, 2025, by the following vote, and that a copy of the Resolution has been delivered to the Chairman of the Board of Governors.

AYES:

NOES:

ABSENT:

**MONA A. ALLEN**  
Authority Board Coordinator  
Kern County Hospital Authority

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Mona A. Allen

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**RESOLUTION**

Section 1. WHEREAS:

(a) The conflict of interest policy for the Kern County Hospital Authority (“Authority”) prohibits Authority employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment; and

(b) Public Risk Innovation, Solution, and Management (“PRISM”) provides insurance coverage for the Authority’s liability program; and

(c) PRISM has offered to donate to the Authority all travel and related expenses for up to two Authority employees to attend the PRISM 2025 Annual Conference in San Diego, California, from September 30-October 3, 2025; and

(d) The training session is necessary in connection with official Authority business; and

(e) The Authority desires to obtain the donation of travel and related expenses from PRISM to the Authority and will retain full control over the use of the donation; and

(f) PRISM has not made any restrictions as to how the donation may be used.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Governors of the Kern County Hospital Authority, as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. This Board hereby accepts from PRISM the donation of travel and related expenses to cover all costs for up to two Authority employees to travel to San Diego, California, to attend the PRISM 2025 Annual Conference from September 30-October 3, 2025.

3. This Board authorizes the Chief Executive Officer to designate up to two Authority employees to attend the PRISM 2025 Annual Conference from September 30-October 3, 2025, in San Diego, California.

4. The Authority Board Coordinator shall provide copies of this Resolution to the following:

Chief Financial Officer  
Legal Services Department  
Human Resources Department





**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed retroactive Quote Q-351642 with Ultimate Kronos Group Inc. (UKG) for the purchase of a human resource subscription service

**Recommended Action:** Approve; Authorize Chief Executive Officer to sign

**Summary:**

Kern Medical requests your Board approve the retroactive Quote (Q-351642) with UKG to purchase human resource subscription services. UKG serves as the Kern County Hospital Authority's core people management system, which supports payroll processing for employees and Talent Acquisition and Onboarding functions.

The Quote includes a contracted minimum spend of \$1,589,166 over the three-year term, but based on current usage patterns, actual costs are expected to be closer to \$1,796,028. Locking in a three-year term allowed Kern Medical to secure more favorable pricing than would have been available through annual renewals. The Quote also positions Kern Medical to implement potential changes to its Talent Acquisition services that were not previously feasible under the existing subscription. If an acceptable alternative solution is identified and adopted for Talent Acquisition and Onboarding services, the total spend for this service may be further reduced.

Negotiations took longer than expected due to parallel consideration of a separate talent acquisition platform and efforts to reduce costs through scope adjustments. Execution was required ahead of the August board meeting to finalize negotiated changes and ensure continuity of service.

Counsel is unable to approve due to non-standard terms and conditions which include the inability to cancel the subscription without cause during the three (3) year term of the Quote. Efforts were made to negotiate alternative verbiage with the vendor, but to no avail.

Due to the Kern County Hospital Authority's ongoing relationship with UKG and the potential cost savings with the proposed services, Kern Medical recommends that your Board retroactively approve Quote Q-351642 with UKG, effective August 1, 2025 to July 31, 2028, in an amount not to exceed \$1,796,028, and authorize the Chief Executive Officer to sign.

**RENEWAL ORDER FORM**

Quote#: Q-351642

Date: 28 Jul, 2025

**Customer Legal Name:**  
KERN COUNTY HOSPITAL AUTHORITY**Ship To: KERN COUNTY HOSPITAL AUTHORITY**  
1700 MOUNT VERNON AVE  
BAKERSFIELD, CA 93306-4018 USA**Customer Legal Address:**  
1700 MOUNT VERNON AVE, BAKERSFIELD, CA 93306-4018  
USA**Bill To: KERN COUNTY HOSPITAL AUTHORITY**  
1700 MOUNT VERNON AVE  
BAKERSFIELD, CA 93306-4018 USA**Bill To Contact:****Payment Terms: Net 30 Days**  
**Customer PO Number:**  
**Renewal Term: 36 months**  
**Billing Frequency: Quarterly**  
**Billing Type: Advance****Currency: USD**  
**Solution ID: 6181213****Order Notes:**

This is a 36-month term. Year one is 6% increase. Year two and three are 0% increase and thereafter shall not exceed 5% per annum.

This Subscription Order will be governed by the MSA, and any subsequent amendments or addenda, signed by the Parties on April 18, 2016.

Commencing on August 1, 2025, the Subscription Fees attributable to UKG PRO PAY AND PEOPLE CENTER shall be amended to reflect the revised Subscription Fees as set forth below based on a minimum of 2,500 Compensated Employees (Inclusive of the 6%):  
\$13.15 per Compensated Employee per month for each Compensated Employee from 1— 2,500

And then

\$8.61 per Compensated Employee per month for each Compensated Employee that exceeds 2,500

Commencing on August 1, 2025, the Subscription Fees attributable to UKG HRSD PEOPLE ASSIST shall be amended to reflect the revised Subscription Fees as set forth below based on a minimum of 2,500 Compensated Employees (Inclusive of the 6%):  
\$3.56 per Compensated Employee per month for each Compensated Employee from 1— 2,500

And then

\$2.33 per Compensated Employee per month for each Compensated Employee that exceeds 2,500

Commencing on August 1, 2025, the Subscription Fees attributable to UKG PRO HR ONLY/ UKG PRO GLOBAL EMPLOYEES shall be amended to reflect the revised Subscription Fees as set forth below based on a minimum of 600 Compensated Employees (Inclusive of the 6%):  
\$3.92 per HR Only / Global Employee per month for each HR Only / Global Employee from 1— 600

And then

\$3.14 per HR Only / Global Employee per month for each HR Only / Global Employee that exceeds 600

Customer may not terminate the Subscription Services during the Renewal Term as set forth herein, except for UKG HRSD People Assist. Customer may terminate UKG HRSD People Assist subscription by providing written notice of its intention at least thirty (30) days in advance during the Renewal Term. After the Renewal Term the Subscription Services shall automatically renew for successive renewal terms of one (1) year each.



### Contract Summary

**Contract Period Start Date:** 8/1/2025 12:00:00 AM

**Contract Period End Date:** 7/31/2028 12:00:00 AM

**Total Minimum Price:** USD 1,589,166.17

The Total Minimum Price is the total billable amount (pre-tax) for the contract period listed above.

### Subscription Services

Subscription Services	Monthly Minimum Quantity	Employee Type	Subscription Fee Per Employee Per Month	Billing Start Date
UKG HRSD PEOPLE ASSIST	2,500	Compensated Employees	USD 3.56	August 1, 2025
UKG PRO PAY AND PEOPLE CENTER UKG PRO ACA SERVICES UKG PRO PEOPLE CENTER UKG PRO PAY UKG PRO DATA EXCHANGE SERVICES UKG PRO PAYMENT SERVICES UKG PRO TAX FILING SERVICES UKG PRO WAGE ATTACHMENT DISBURSEMENT UKG PRO CHECK PRINTING UKG PRO DOCUMENT ACKNOWLEDGMENT TOOL UKG PRO LIFE EVENTS UKG PRO CAREER DEVELOPMENT UKG PRO OPEN ENROLLMENT UKG PRO MANAGER SELF SERVICE UKG PRO RECRUITING UKG PRO IMPORT TOOL UKG PRO ONBOARDING	2,500	Compensated Employees	USD 13.15	August 1, 2025
UKG PRO GLOBAL EMPLOYEES UKG PRO HR ONLY	600	HR Only / Global Employees	USD 3.92	August 1, 2025
UKG PRO LIMITED ACCESS	0	Limited Access Employees	USD 1.22	August 1, 2025
UKG PRO BASIC SSO	2,500	Compensated Employees	USD 0.00	July 1, 2026

KERN COUNTY HOSPITAL AUTHORITY		UKG Inc.	
Signature:		Signature:	<div>DocuSigned by: <i>David Wiant</i> D856900EBF60494...</div>
Name:	Scott Thygerson	Name:	David Wiant
Title:	Chief Executive Officer	Title:	Director Customer Renewals
Date:		Date:	29 July 2025   10:30 AM EDT
<p>The monthly price on this Order has been rounded to two decimal places for display purposes. As many as eight decimal places may be present in the actual price. Due to the rounding calculations, the actual price may not display as expected when displayed on your Order. Nonetheless, the actual price on your invoice is the true and binding total for this Order for purposes of amounts owed for the term. If you are tax exempt, please email a copy of your "Tax Exempt Certificate" to <a href="mailto:TaxExemption@ukg.com">TaxExemption@ukg.com</a> along with the quote number otherwise this order is subject to applicable taxes. The actual tax amount to be paid by Customer will be shown on Customer's invoice.</p>			

REVIEWED ONLY  
NOT APPROVED AS TO FORM

By Shannon Hochstein  
Kern County Hospital Authority



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Amendment No. 3 to Agreement 2020-171 with the City of Bakersfield to extend the term of a lease of space located at 1900 East Brundage Lane

**Recommended Action:** Approve, Authorize Chairman to sign

**Summary:**

Kern Medical requests your Board approve Amendment No. 3 to Agreement 2020-171 with the City of Bakersfield to extend the lease term for space located at 1900 East Brundage Lane.

Kern Medical has occupied space at the City of Bakersfield owned Brundage Lane Navigation Center (BLNC) to provide home health care services onsite to homeless shelter guests since September 2020.

Since its opening in September 2020, the BLNC has served as a critical facility for individuals experiencing homelessness in Kern County. Kern Medical has partnered with the City of Bakersfield to provide medical services directly on-site, ensuring access to timely and appropriate care for this vulnerable population.

The proposed amendment would extend the term of the existing no-cost lease and allow for the continued use of the current space for providing on-site medical care at the BLNC. Approving this amendment ensures uninterrupted medical services for shelter residents and Recuperative Care Center patients through September 30, 2030.

Maintaining our presence at the BLNC is vital to the continuity of care for a medically vulnerable population and aligns with Kern Medical's mission to provide accessible, high-quality healthcare to all residents of Kern County. The Board's approval of this amendment ensures continued collaboration with the City of Bakersfield and support for our on-site medical services at the BLNC.

Therefore, it is recommended that your Board approve Amendment No. 3 to Agreement 2020-171 with the City of Bakersfield, to extend the term for five (5) years and twenty-two (22) days, for a total term from September 9, 2020 through September 30, 2030, at no cost, and authorize the Chairman to sign.

**AGREEMENT NO. \_\_\_\_\_**

**AMENDMENT NO. [3] TO  
AGREEMENT NO. 2020-171**

This **AMENDMENT NO. 3 TO AGREEMENT NO. 2020-171** is made and entered into on \_\_\_\_\_, by and between the **CITY OF BAKERSFIELD**, a municipal corporation (referred to herein as "CITY"), and **KERN COUNTY HOSPITAL AUTHORITY**, a local unit of government, which owns and operates **KERN MEDICAL CENTER (KMC)**, (referred to herein as "KCHA").

**R E C I T A L S**

**WHEREAS**, on September 23, 2020, CITY and KCHA entered into Agreement No. 2020-171 authorizing KCHA to lease from CITY the exclusive right to use four (4) exam rooms, two (2) office spaces and one (1) storage area at CITY property located at 1900 East Brundage Lane (herein "Property") to provide medical care for the emergency shelter for homeless residents; and

**WHEREAS**, on May 5, 2021, CITY and KCHA entered into Amendment No. 1 to remove one (1) of the four (4) exam rooms leased by KHCA at the Property; and

**WHEREAS**, on December 15, 2021, the City Council authorized the expansion of the Property including the construction of a recuperative care facility to provide hospitals with functional and efficient solutions for appropriate transitions of the most vulnerable populations in our community; and

**WHEREAS**, on March 22, 2023, CITY and KCHA entered into Amendment No. 2 to reflect the addition of a recuperative care facility to the Property; and

**WHEREAS**, Agreement No. 2020-171 expires on September 8, 2025; and

**WHEREAS**, the parties now desire to amend Agreement No. 2020-171 again to extend the term an additional five (5) years to September 8, 2030.

**NOW, THEREFORE**, incorporating the foregoing recitals herein, CITY and KHCA mutually agree as follows:



1. Section 2 of Agreement No. 2020-171 entitled "**TERM/EFFECTIVE DATE**" is hereby amended to read as follows:

2. **TERM/EFFECTIVE DATE.** The term of this Lease is TEN (10) years and TWENTY-TWO (22) days, commencing on September 9, 2020 and terminating on September 30, 2030, unless sooner terminated as provided in this Lease. September 9, 2020 shall be deemed the "Effective Date" of this Lease.

2. Except as amended herein, all provisions of Agreement No. 2020-171 shall remain in full force and effect.

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment No. 3 to Agreement No. 2020-171 to be executed the day and year first above written.

"CITY"  
**CITY OF BAKERSFIELD**

By: \_\_\_\_\_  
**KAREN GOH**  
Mayor

APPROVED AS TO CONTENT:  
**ECONOMIC AND COMMUNITY  
DEVELOPMENT DEPARTMENT**

By: \_\_\_\_\_  
**JENNIFER M. BYERS**  
Director

APPROVED AS TO FORM:

City Attorney: \_\_\_\_\_  
**VIRGINIA GENNARO**

Insurance: \_\_\_\_\_

COUNTERSIGNED:

Finance Director: \_\_\_\_\_  
**RANDY MCKEEGAN**

"CONTRACTOR"  
**KERN COUNTY HOSPITAL  
AUTHORITY (KCHA)**

By: \_\_\_\_\_  
**PHIL MCLAUGHLIN**  
Chairman, Board of Governors

APPROVED AS TO CONTENT:  
**KERN MEDICAL CENTER**

By: \_\_\_\_\_  
**NATALEE GARRETT**  
Vice President  
Strategic Development

Hospital Counsel: *Shannon Hochstein*  
**SHANNON HOCHSTEIN**



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Agreement with Roba S. Alhasan, 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 Roba S. Alhasan, M.D., a contract employee, for professional medical services in the Department of Medicine. Dr. Alhasan is board certified in hematology and medical oncology and will serve as full-time faculty in the Division of Hematology and Oncology.

The proposed Agreement is for a term of three years from September 6, 2025 through September 5, 2028. The maximum payable will not to exceed \$2,700,000 over the three-year term of the Agreement.

Dr. Alhasan's annual salary of \$700,000 as well as her after-hours clinic coverage rate of \$150 per hour is calculated based on the current Medical Group Management Association (MGMA) Physician Compensation and Production Survey for specialty and represents the reasonable fair market value compensation for the services provided by Dr. Alhasan. Dr. Alhasan will be full-time, five days per week and will provide services inclusive of supervision of residents and medical students while on service. Additionally, she will supervise mid-level activity; perform therapeutic and diagnostic procedures; provide outpatient clinic coverage; conduct inpatient rounds; serve on both Cancer Committee and Tumor Board; and oversee orders for the outpatient oncology infusion clinic. Dr. Alhasan will also receive a Worked RVU Productivity Incentive where she will earn \$90.90 per Worked RVU generated in excess of 7,702 per employment year. In addition to her compensation package, Dr. Alhasan will receive the standard complement of benefits offered to all Kern Medical physicians. The maximum payable will not to exceed \$2,700,000 over the three-year term of the Agreement.

Therefore, it is recommended that your Board approve the Agreement with Roba S. Alhasan, M.D., for professional medical services in the Department of Medicine from September 6, 2025 through September 5, 2028, in an amount not to exceed \$2,700,000, plus applicable benefits, and authorize the Chairman to sign.

**AGREEMENT FOR PROFESSIONAL SERVICES  
CONTRACT EMPLOYEE  
(Kern County Hospital Authority – Roba S. Alhasan, M.D.)**

This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025, between Kern County Hospital Authority, a local unit of government (“Authority”), which owns and operates Kern Medical Center (“KMC”), and Roba S. Alhasan, 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 initial term of this Agreement (“Initial Term”) shall be for a period of three (3) years, commencing as of September 6, 2025 (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<sup>1</sup>; (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 medical oncology-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 her obligations under this Agreement.

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<sup>1</sup> 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 she shall not enter into any other physician employment contract or otherwise engage in the private practice of medicine 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 her 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 initial Annual Salary of \$26,923.07 biweekly not to exceed \$700,000 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 median level (50th percentile) of worked relative value units ("Worked RVU") 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 **Worked RVU Productivity Incentive.** Physician shall be compensated for each Worked RVU at the rate of \$90.90 ("RVU Effort"), less all applicable federal and state taxes and withholdings, for each Worked RVU in excess of 7,702 generated per Employment Year.

5.1.3 **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.

5.1.4 **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 **Hospitalist Shift Coverage (Optional).** 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.

5.3 **Starting Bonus.**

5.3.1 **Bonus.** Physician shall receive a starting bonus in the amount of \$30,000, 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 she fails to report to work on the Commencement Date.

5.3.2 Repayment. In the event that Physician voluntarily terminates her employment with Authority for any reason whatsoever before the first anniversary of this Agreement, Physician shall repay to Authority an amount equal to \$30,000 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 her termination of employment with Authority.

5.3.3 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.

5.4 Professional Fee Billing.

5.4.1 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 during the Term of this Agreement. All professional fees generated by Physician 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.

5.4.2 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.

5.5 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed \$2,700,000 over the three (3) year Initial 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 she 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 she 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 she 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.<sup>1</sup>

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

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<sup>1</sup> By way of example only, in the event Physician terminates her 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.**

7. **Assignment.** Physician shall not assign or transfer this Agreement or her 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 her 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.
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 she receives in the course of her 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 she has no interest and that she 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 her 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:

Roba S. Alhasan, M.D.  
15000 Ella Jane Way  
Bakersfield, California 93314

Notice to Authority:

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 ninety (90) 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 \_\_\_\_\_  
Roba S. Alhasan, 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

**EXHIBIT “A”**  
**JOB DESCRIPTION**  
**Roba S. Alhasan, M.D.**

**Position Description:** Reports to the Chair, Department of Medicine; serves as full-time attending physician in the Department and Division of Hematology and Oncology; provides no fewer than eighty (80) hours of service per biweekly pay period; provides professional, comprehensive and safe clinical coverage for operations, timely completion of therapeutic and diagnostic procedures, direct patient care, scholarly research and resident education; works collaboratively with clinic and Department staff and hospital administration to ensure efficient workflow, adequacy of support equipment, and superior patient experience.

**Essential Functions:**

1. Clinical Responsibilities.
  - Supervises residents and medical students while on service
  - Supervises and ensures competence of mid-level activity
  - Performs therapeutic and diagnostic procedures within the scope of practice for an internal medicine specialist while on service
  - Provides outpatient clinic coverage at designated KMC Practice Sites
  - Conducts inpatient rounds
  - Serves on the Cancer Committee and Tumor Board
  - Oversees orders for outpatient oncology infusion clinic
2. Medical Education; Academic Responsibilities.
  - Provides clinical mentoring to and evaluation of residents and medical students
  - Establishes and maintains academic appointment at David Geffen School of Medicine at University of California, Los Angeles
  - Demonstrates active involvement in continuing medical education
  - Participates in development of Department curriculum
  - Attends and participates in Department didactic sessions as assigned
  - Delivers assigned lectures to internal medicine residents
3. Administrative Responsibilities.
  - Applies appropriate utilization management principles
  - Refers patients to appropriate medical specialists, social services, or other professionals
  - Participates in morning huddle and team care planning activities
  - Directs, coordinates, and supervises coordination of care activities with nursing and support staff
  - Completes timely patient discharge summaries and communicates them to primary care, specialty, and consulting physicians
  - Works closely with case management and nursing to coordinate transfers from outside facilities and assists with care transitions to the ambulatory environment upon discharge
  - Supports the Department Chair to develop monitoring tools to measure financial, access, quality and satisfaction outcomes

- Participates in the preparation, monitoring, review, and performance of clinical activity in the Department
- Participates in the quality improvement and risk management activities, including peer review and quality control functions as assigned to services in the Department
- Completes medical records in a timely fashion and works to improve the quality, accuracy, and completeness of documentation
- Works collaboratively with other clinical departments to develop a cohesive and collaborative environment across departments with a focus of enhancing access to patient care for inpatient and outpatient services
- Follows and complies with the Medical Staff Bylaws, Rules, Regulations, and policies as well as Authority and KMC policies and procedures
- Attends Department staff meetings and the annual medical staff meeting
- Attends and actively participates in medical staff and hospital committees as may be assigned
- Participates in other clinical, academic, and administrative activities, as assigned by the Department Chair

**Employment Standards:**

Completion of an accredited residency in internal medicine; completion of a fellowship in hematology and medical oncology; one (1) year of post-residency experience in internal medicine desirable

**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 medical oncology-subspecialty

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

[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.

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Physician

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Date



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Amendment No. 1 to Agreement 60523 with Yufan Brandon Chen, M.D., a contract employee, for professional medical and administrative services in the Department of Obstetrics and Gynecology

**Recommended Action:** Approve; Authorize the Chairman to sign

**Summary:**

Kern Medical requests your Board approve proposed Amendment No. 1 to Agreement 60523 with Yufan Brandon Chen, M.D., a contract employee, for professional medical and administrative services in the Department of Obstetrics and Gynecology. Dr. Chen, who is board certified in obstetrics and gynecology and urogynecology subspecialty, has been employed by Kern Medical since August 2020. The current Agreement is for a term of three years from August 1, 2023 through July 31, 2026.

The proposed Amendment increases OB/GYN call compensation as follows: (i) Dr. Chen will be paid a per diem rate in the amount of \$4,200 per 24- hour day for every weekend day and holiday call coverage assigned (Saturday and Sunday; designated Authority holidays only); (ii) Dr. Chen be paid a fixed fee in the amount of \$2,300 for every weekday night of call coverage assigned (Monday through Friday); and (iii) Dr. Chen will be paid a fixed fee in the amount of \$500 for backup coverage if he is called to come to the hospital. The current maximum payable will increase by \$500,000, from \$1,500,000 to \$2,000,000, in order to cover the term of the Agreement. The Amendment is effective August 23, 2025, which coincides with the beginning of a new pay period.

Therefore, it is recommended that your Board approve Amendment No. 1 to Agreement 60523 with Yufan Brandon Chen, M.D., for professional medical and administrative services in the Department of Obstetrics and Gynecology for the period August 1, 2023 through July 31, 2026, increasing compensation for call coverage, increasing the maximum payable by \$500,000, from \$1,500,000 to \$2,000,000, to cover the term, and authorize the Chairman to sign.

**AMENDMENT NO. 1  
TO  
AGREEMENT FOR PROFESSIONAL SERVICES  
CONTRACT EMPLOYEE  
(Kern County Hospital Authority – Yufan Brandon Chen, M.D.)**

This Amendment No. 1 to the Agreement for Professional Services is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025, between Kern County Hospital Authority, a local unit of government (“Authority”), which owns and operates Kern Medical Center (“KMC”), and Yufan Brandon Chen, M.D. (“Physician”).

**RECITALS**

(a) Authority and Physician have heretofore entered into an Agreement for Professional Services (Agt. #60523, dated August 30, 2023) (the “Agreement”), for the period August 1, 2023 through July 31, 2026, whereby Physician provides professional medical and administrative 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 August 23, 2025;

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 5, Compensation Package, paragraph 5.3, Call Coverage, shall be deleted in its entirety and replaced with the following:

“5.3 Call Coverage. Authority shall pay Physician for call coverage at KMC as follows: (i) Physician shall be paid a per diem rate in the amount of \$4,200 per twenty-four (24) hour day for every weekend day and holiday call coverage assigned (Saturday and Sunday; designated Authority holidays only); (ii) Physician shall be paid a fixed fee in the amount of \$2,300 for every weekday night of call coverage assigned (Monday through Friday); and (iii) Physician shall be paid a fixed fee in the amount of \$500 for backup coverage if called to come to the hospital. All payments made by Authority to Physician shall be subject to all applicable federal and state taxes and withholding requirements.”

2. Section 5, Compensation Package, paragraph 5.9, Maximum Payable, shall be deleted in its entirety and replaced with the following:

“5.9 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed \$2,000,000 over the three (3) year Term of this Agreement.”

3. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.
4. This Amendment shall be governed by and construed in accordance with the laws of the state of California.
5. 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.
6. Except as provided herein, all other terms, conditions and covenants of the Agreement shall remain in full force and effect.

[INTENTIONALLY LEFT BLANK]

IN WITNESS TO THE FOREGOING, the parties have executed this Amendment No. 1  
as of the day and year first written above.

PHYSICIAN

By \_\_\_\_\_  
Yufan Brandon Chen, 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



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Amendment No. 1 to Agreement 144-2024 with Antonio L. Garcia, M.D., a contract employee, for professional medical and administrative services in the Department of Obstetrics and Gynecology

**Recommended Action:** Approve; Authorize the Chairman to sign

**Summary:**

Kern Medical requests your Board approve the proposed Amendment No. 1 to Agreement 144-2024 with Antonio L. Garcia, M.D., a contract employee, for professional medical and administrative services in the Department of Obstetrics and Gynecology. Dr. Garcia, who is board certified in obstetrics and gynecology, has been employed by Kern Medical since 1988. Dr. Garcia serves as the Vice Chair of Operations and 4th Year Medical Student Clerkship Director for the Department. The current Agreement is for a term of three years from October 1, 2024 through September 30, 2027.

The proposed Amendment increases OB/GYN call compensation as follows: (i) Dr. Garcia will be paid a per diem rate in the amount of \$4,200 per 24- hour day for every weekend day and holiday call coverage assigned (Saturday and Sunday; designated Authority holidays only); (ii) Dr. Garcia be paid a fixed fee in the amount of \$2,300 for every weekday night of call coverage assigned (Monday through Friday); and (iii) Dr. Garcia will be paid a fixed fee in the amount of \$500 for backup coverage if he is called to come to the hospital. The current maximum payable will increase by \$500,000, from \$1,650,700 to \$2,150,000, in order to cover the term of the Agreement. The Amendment is effective August 23, 2025, which coincides with the beginning of a new pay period.

Therefore, it is recommended that your Board approve Amendment No. 1 to Agreement 144-2024 with Antonio L. Garcia, M.D., for professional medical and administrative services in the Department of Obstetrics and Gynecology for the period October 1, 2024 through September 30, 2027, increasing compensation for call coverage, increasing the maximum payable by \$500,000, from \$1,650,700 to \$2,150,000, to cover the term, and authorize the Chairman to sign.

**AMENDMENT NO. 1  
TO  
AGREEMENT FOR PROFESSIONAL SERVICES  
CONTRACT EMPLOYEE  
(Kern County Hospital Authority – Antonio L. Garcia, M.D.)**

This Amendment No. 1 to the Agreement for Professional Services is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025, between Kern County Hospital Authority, a local unit of government (“Authority”), which owns and operates Kern Medical Center (“KMC”), and Antonio L. Garcia, M.D. (“Physician”).

**RECITALS**

(a) Authority and Physician have heretofore entered into an Agreement for Professional Services (Agt. #144-2024, dated August 21, 2024) (the “Agreement”), for the period October 1, 2024 through September 30, 2027, whereby Physician provides professional medical and administrative 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 August 23, 2025;

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 5, Compensation Package, paragraph 5.2, Call Coverage, shall be deleted in its entirety and replaced with the following:

“5.2 Call Coverage. Authority shall pay Physician for call coverage at KMC as follows: (i) Physician shall be paid a per diem rate in the amount of \$4,200 per twenty-four (24) hour day for every weekend day and holiday call coverage assigned (Saturday and Sunday; designated Authority holidays only); (ii) Physician shall be paid a fixed fee in the amount of \$2,300 for every weekday night of call coverage assigned (Monday through Friday); and (iii) Physician shall be paid a fixed fee in the amount of \$500 for backup coverage if called to come to the hospital. All payments made by Authority to Physician shall be subject to all applicable federal and state taxes and withholding requirements.”

2. Section 5, Compensation Package, paragraph 5.11, Maximum Payable, shall be deleted in its entirety and replaced with the following:

“5.11 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed \$2,150,700 over the three (3) year Term of this Agreement.”



3. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.
4. This Amendment shall be governed by and construed in accordance with the laws of the state of California.
5. 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.
6. Except as provided herein, all other terms, conditions and covenants of the Agreement shall remain in full force and effect.

[INTENTIONALLY LEFT BLANK]

IN WITNESS TO THE FOREGOING, the parties have executed this Amendment No. 1  
as of the day and year first written above.

PHYSICIAN

By \_\_\_\_\_  
Antonio L. Garcia, 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



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Amendment No. 2 to Agreement 095-2022 with Sarah G. Gonzalez, 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. 2 to Agreement 095-2022 with Sarah G. Gonzalez, M.D., a contract employee, for professional medical services in the Department of Medicine. Dr. Gonzalez joined Kern Medical on September 10, 2016, after completing an emergency medicine residency at Kern Medical. She is board certified in emergency medicine and addiction medicine.

Dr. Gonzalez's focus is on Primary Care-Based Addiction Medicine and Enhanced Care Management (formerly Whole Person Care). Dr. Gonzalez has always had a passion for providing exceptional care to the most vulnerable populations, specifically the homeless and post-incarcerated.

The proposed Amendment relieves Dr. Gonzalez as the Responsible Physician for Correctional Medicine which included an annual stipend of \$24,000, appoints her to the position of Chief, Division of Addiction Medicine, and increases her annual base salary by \$25,000, from \$340,00 to \$365,000. There is no change to her maximum payable which will remain \$2,400,000.

Therefore, it is recommended that your Board approve Amendment No. 2 to Agreement 095-2022 with Sarah G. Gonzalez, M.D., for professional medical services in the Department of Medicine for the period August 1, 2022 through July 31, 2028, increasing the annual base salary by \$25,000, from \$340,00 to \$365,000, appointing Dr. Gonzalez as Chief, Division of Addiction Medicine, and authorize the Chairman to sign.

**AMENDMENT NO. 2  
TO  
AGREEMENT FOR PROFESSIONAL SERVICES  
CONTRACT EMPLOYEE  
(Kern County Hospital Authority – Sarah G. Gonzalez, M.D.)**

This Amendment No. 2 to the Agreement for Professional Services is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025, between Kern County Hospital Authority, a local unit of government (“Authority”), which owns and operates Kern Medical Center (“KMC”), and Sarah G. Gonzalez, M.D. (“Physician”).

**RECITALS**

(a) Authority and Physician have heretofore entered into an Agreement for Professional Services (Agt. #095-2022, dated August 17, 2022) and Amendment No. 1 (Agt. #114-2024, dated June 26, 2024) (collectively, the “Agreement”), for the period August 1, 2022 through July 31, 2028, whereby Physician provides professional medical services in the Department of Medicine and teaching services to resident physicians employed by Authority; 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 August 23, 2025;

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. Recitals, paragraph (b), shall be deleted in its entirety and replaced with the following:

“(b) Authority requires the assistance of Physician to provide professional medical and administrative 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”

2. Section 2, Employment, shall be deleted in its entirety and replaced with the following:

“2. **Employment.** Authority hereby employs Physician as Chief, Division of Addiction Medicine and 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. 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 \$14,038.46 biweekly not to exceed \$365,000 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 median level (50th percentile) of worked relative value units (“Worked RVU”) based on the current MGMA Survey and fulfill all the duties set forth in Exhibit “A” during the Term of this Agreement.”

4. Section 5, Compensation Package, paragraph 5.3, After-hours Phone Coverage, shall be deleted in its entirety and replaced with the following:

“5.3 After-hours Phone Coverage. Authority shall pay Physician a fixed fee in the amount of \$50 per day, less all applicable federal and state taxes and withholdings, for after-hours phone call coverage (after 5:00 p.m., Monday through Sunday, including holidays).”

5. Section 5, Compensation Package, paragraph 5.5, Responsible Physician Stipend, shall be deleted in its entirety and replaced with the following:

“5.5 [RESERVED].”

6. Amendment No. 1 to Exhibit “A,” Job Description, shall be deleted in entirety and replaced with Amendment No. 2 to Exhibit “A,” Job Description, attached hereto and incorporated herein by this reference.

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

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

9. 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.

10. 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. 2  
as of the day and year first written above.

PHYSICIAN

By \_\_\_\_\_  
Sarah G. Gonzalez, 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

**AMENDMENT NO. 2**  
**TO**  
**EXHIBIT “A”**  
**JOB DESCRIPTION**  
**Sarah G. Gonzalez, M.D.**  
**(Effective August 23, 2025)**

**Position Summary:** Reports to Chair, Department of Medicine; serves as Chief, Division of Addiction Medicine; serves as Program Director for the Addiction Medicine Fellowship; provides no fewer than eighty (80) hours of service per biweekly pay period; serves as a full-time staff physician providing medical services in designated KMC outpatient clinics<sup>1</sup> to patients assigned to the Whole Person Care/Enhanced Care Management clinic.

**Staff Physician, Whole Person Care/Enhanced Care Management (“WPC/ECM”):**

- Provides services no fewer than one (1) day per week for the WPC/ECM program at KMC-designated Practice Sites (as defined in Section 2 of the Agreement)
- Provides urgent and basic medical care to WPC/ECM patients
- Refers WPC/ECM patients to KMC when medical care cannot be adequately provided in the clinic setting
- Supervises mid-level practitioners
- Coordinates with the KMC Clinical Director responsible for WPC/ECM outpatient clinics
- Assists and reviews policies for WPC/ECM medical services
- Reviews and signs ten percent (10%) of mid-level patient records or as otherwise required by law
- Attends and participates in pertinent scheduled committee meetings
- Participates in KMC quality improvement programs related to WPC/ECM and KMC
- Participates in the development and approval of policies and procedures
- Assists the KMC Clinical Director responsible for WPC/ECM outpatient clinic services to develop standardized procedures for the provision of medical care
- Participates in the ongoing growth and development of WPC/ECM services

**Supervision of Resident Physicians:**

- Physician shall supervise resident physicians during all assigned clinical activity

**Medical Education:**

- Physician shall provide medical education including didactic lectures and education and mentoring of medical students and resident physicians during rounds and in the clinic setting

**Didactic Teaching:**

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<sup>1</sup> Includes the provision of medical services in inmates in County-owned and -operated correctional facilities.



- Physician shall provide didactic lectures as mutually agreed upon between Physician and the Department Chair or Program Director

**Other KMC Services:**

- Attends Medical Staff meetings as requested
- Participates in Medical Staff and hospital committee meetings assigned by the Department Chair or President of the Medical Staff

**Program Director, Addiction Medicine Fellowship:**

- Assumes responsibility and accountability for operation of the addiction medicine fellowship
- Administers and maintains an environment conducive to educating addiction medicine fellows, which includes responsibility to:
  - 1) Oversee and ensure the quality of didactic and clinical education;
  - 2) Evaluate program faculty;
  - 3) Monitor fellow supervision;
  - 4) Prepare and submit information required and requested by the ACGME;
  - 5) Ensure compliance with grievance and due process procedures as set forth in the Institutional Requirements and in accordance with KMC policies and procedures;
  - 6) Provide verification of fellow education;
  - 7) Implement policies and procedures consistent with KMC and program requirements for fellow duty hours and the working environment, including moonlighting;
  - 8) Comply with KMC written policies and procedures, including those specified in the Institutional Requirements for selection, evaluation and promotion of fellows, disciplinary action, and supervision of fellows;
  - 9) Be familiar with and comply with ACGME and Resident Review Committee policies and procedures as outlined in the ACGME Manual of Policies and Procedures; and
  - 10) Dedicate a minimum of eight (8) hours of nonclinical time per week for administration of the addiction medicine fellowship.

**Employment Standards:**

Completion of an accredited residency program in internal medicine or emergency medicine; one (1) year of post-residency experience in internal medicine or emergency medicine

**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 OR the American Board of Emergency Medicine in emergency medicine-general AND the American Board of Preventive Medicine in addiction medicine-subspecialty

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

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**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Amendment No. 2 to Agreement 044-2023 with Juan M. Lopez, M.D., a contract employee, for professional medical and administrative services in the Department of Obstetrics and Gynecology

**Recommended Action:** Approve; Authorize the Chairman to sign

**Summary:**

Kern Medical requests your Board approve the proposed Amendment No. 2 to Agreement 044-2023 with Juan M. Lopez, M.D., a contract employee, for professional medical and administrative services in the Department of Obstetrics and Gynecology. Dr. Lopez, a board-certified obstetrician and gynecologist, has been employed by Kern Medical Center since 2004, and serves as Chair of the Department. His current Agreement is for a term of five years from March 15, 2023 through March 14, 2028.

The proposed Amendment increases OB/GYN call compensation as follows: (i) Dr. Lopez will be paid a per diem rate in the amount of \$4,200 per 24- hour day for every weekend day and holiday call coverage assigned (Saturday and Sunday; designated Authority holidays only); (ii) Dr. Lopez be paid a fixed fee in the amount of \$2,300 for every weekday night of call coverage assigned (Monday through Friday); and (iii) Dr. Lopez will be paid a fixed fee in the amount of \$500 for backup coverage if he is called to come to the hospital. The current maximum payable will increase by \$500,000, from \$3,500,000 to \$4,000,000, in order to cover the term of the Agreement. The Amendment is effective August 23, 2025, which coincides with the beginning of a new pay period.

Therefore, it is recommended that your Board approve the proposed Amendment No. 2 to Agreement 044-2023 with Juan M. Lopez, M.D., for professional medical and administrative services in the Department of Obstetrics and Gynecology for the period March 15, 2023 through March 14, 2028, increasing compensation for call coverage, increasing the maximum payable by \$500,000, from \$3,500,000 to \$4,000,000, to cover the term, and authorize the Chairman to sign.

**AMENDMENT NO. 2**  
**TO**  
**AGREEMENT FOR PROFESSIONAL SERVICES**  
**CONTRACT EMPLOYEE**  
**(Kern County Hospital Authority – Juan M. Lopez, M.D.)**

This Amendment No. 2 to the Agreement for Professional Services is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025, between Kern County Hospital Authority, a local unit of government (“Authority”), which owns and operates Kern Medical Center (“KMC”), and Juan M. Lopez, M.D. (“Physician”).

**RECITALS**

(a) Authority and Physician have heretofore entered into an Agreement for Professional Services (Agt. #044-2023, dated March 15, 2023) and Amendment No. 1 (Agt. #033-2024, dated February 21, 2024) (collectively, the “Agreement”), for the period March 15, 2023 through March 14, 2028, whereby Physician provides professional medical and administrative 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 August 23, 2025;

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 5, Compensation Package, paragraph 5.4, Call Coverage, shall be deleted in its entirety and replaced with the following:

“5.4 Call Coverage. Authority shall pay Physician for call coverage at KMC as follows: (i) Physician shall be paid a per diem rate in the amount of \$4,200 per twenty-four (24) hour day for every weekend day and holiday call coverage assigned (Saturday and Sunday; designated Authority holidays only); (ii) Physician shall be paid a fixed fee in the amount of \$2,300 for every weekday night of call coverage assigned (Monday through Friday); and (iii) Physician shall be paid a fixed fee in the amount of \$500 for backup coverage if called to come to the hospital. All payments made by Authority to Physician shall be subject to all applicable federal and state taxes and withholding requirements.”

2. Section 5, Compensation Package, paragraph 5.11, Maximum Payable, shall be deleted in its entirety and replaced with the following:

“5.11 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed \$4,000,000 over the five (5) year Term of this Agreement.”

3. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.
4. This Amendment shall be governed by and construed in accordance with the laws of the state of California.
5. 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.
6. 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. 2  
as of the day and year first written above.

PHYSICIAN

By \_\_\_\_\_  
Juan M. Lopez, 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



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Amendment No. 2 to Agreement 16523 with Yasser Ratl Mrad, M.D., a contract employee, for professional medical and administrative services in the Department of Obstetrics and Gynecology

**Recommended Action:** Approve; Authorize the Chairman to sign

**Summary:**

Kern Medical requests your Board approve the proposed Amendment No. 2 to Agreement 16523 with Yasser Ratl Mrad, M.D., a contract employee, for professional medical services in the Department of Obstetrics and Gynecology. Dr. Mrad, a board-certified obstetrician and gynecologist, has been employed by Kern Medical Center since 2023, having previously provided services as an independent contractor beginning in 2017. The current Agreement is for a term of three years from March 16, 2023 through March 15, 2026.

The proposed Amendment increases OB/GYN call compensation as follows: (i) Dr. Mrad will be paid a per diem rate in the amount of \$4,200 per 24- hour day for every weekend day and holiday call coverage assigned (Saturday and Sunday; designated Authority holidays only); (ii) Dr. Mrad be paid a fixed fee in the amount of \$2,300 for every weekday night of call coverage assigned (Monday through Friday); and (iii) Dr. Mrad will be paid a fixed fee in the amount of \$500 for backup coverage if he is called to come to the hospital. In addition to the increase in compensation for call coverage, Dr. Mrad will serve as Chief, Division of Obstetrics and Medical Director of the labor and delivery service. He will receive an annual stipend of \$24,000 for services as medical director. There is no additional compensation associated with services as division chief. The current maximum payable will increase by \$750,000, from \$1,500,000 to \$2,250,000, in order to cover the term of the Agreement. The Amendment is effective August 23, 2025, which coincides with the beginning of a new pay period.

Therefore, it is recommended that your Board approve the proposed Amendment No. 2 to Agreement 16523 with Yasser Ratl Mrad, M.D., for professional medical and administrative services in the Department of Obstetrics and Gynecology for the period March 15, 2023 through March 14, 2026, increasing compensation for call coverage, adding an annual stipend for medical director services, increasing the maximum payable by \$750,000, from \$1,500,000 to \$2,250,000, to cover the term, and authorize the Chairman to sign.

**AMENDMENT NO. 2  
TO  
AGREEMENT FOR PROFESSIONAL SERVICES  
CONTRACT EMPLOYEE  
(Kern County Hospital Authority – Yasser Ratl Mrad, M.D.)**

This Amendment No. 2 to the Agreement for Professional Services is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2025, between Kern County Hospital Authority, a local unit of government (“Authority”), which owns and operates Kern Medical Center (“KMC”), and Yasser Ratl Mrad, M.D. (“Physician”).

**RECITALS**

(a) Authority and Physician have heretofore entered into an Agreement for Professional Services (Agt. #16523, dated March 23, 2023) and Amendment No. 1 (Agt. #65124, dated September 9, 2024) (collectively, the “Agreement”), for the period March 16, 2023 through March 15, 2026, whereby Physician provides professional medical services in the Department of Obstetrics and Gynecology and teaching services to resident physicians employed by Authority; and

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

(c) The Agreement is amended effective August 23, 2025;

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. Recital (b) shall be deleted in its entirety and replaced with the following:

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

2. Section 2, Employment, shall be deleted in its entirety and replaced with the following:

“2. **Employment.** Authority hereby employs Physician as Chief, Division of Obstetrics and 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. Section 5, Compensation Package, paragraph 5.2, Call Coverage, shall be deleted in its entirety and replaced with the following:

"5.2 Call Coverage. Authority shall pay Physician for call coverage at KMC as follows: (i) Physician shall be paid a per diem rate in the amount of \$4,200 per twenty-four (24) hour day for weekend and holiday call coverage assigned (Saturday and Sunday; designated Authority holidays only); (ii) Physician shall be paid a fixed fee in the amount of \$2,300 for every weekday night of call coverage assigned (Monday through Friday); and (iii) Physician shall be paid a fixed fee in the amount of \$500 for backup coverage if called to come to the hospital. All payments made by Authority to Physician shall be subject to all applicable federal and state taxes and withholding requirements."

4. Section 5, Compensation Package, paragraph 5.11, Maximum Payable, shall be deleted in its entirety and replaced with the following:

"5.11 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed \$2,250,000 over the three (3) year Initial Term of this Agreement."

5. Section 5, Compensation Package, paragraph 5.12, Medical Director Stipend, shall be made part of the Agreement as follows:

"5.12 Medical Director Stipend. Authority shall pay Physician an annual stipend of \$923.07 biweekly, less all applicable federal and state taxes and withholding requirements, not to exceed \$24,000 annually for services as Medical Director, Labor and Delivery for the Department. Physician understands and agrees that he must remain in the position of Medical Director, Labor and Delivery as of each biweekly payout date in order to earn and receive the stipend payment."

6. Exhibit "A," Job Description, shall be deleted in its entirety and replaced with Amendment No. 1 to Exhibit "A," Job Description, attached hereto and incorporated herein by this reference.

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

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

9. 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.

10. 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. 2  
as of the day and year first written above.

PHYSICIAN

By \_\_\_\_\_  
Yasser Ratl Mrad, 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

**AMENDMENT NO. 1  
TO  
EXHIBIT “A”  
JOB DESCRIPTION  
Yasser Ratl Mrad, M.D.**

**Position Description:** Reports to Chair, Department of Obstetrics and Gynecology; serves as Chief, Division of Obstetrics; serves as Medical Director, Labor and Delivery; serves as a full-time faculty member in the Department; provides no fewer than eighty (80) hours of service per biweekly pay period.

**Essential Functions:**

1. Clinical Responsibilities

- Supervises residents while on service
- Provides services in the outpatient clinics
- Provides medical, surgical and obstetrical services
- Provides mutually agreed upon weekday and weekend after hours call coverage
- Supervises procedures performed by residents and mid-levels while on service
- Performs therapeutic and diagnostic procedures within the scope of practice for an obstetrician and gynecologist while on service
- Provides mutually agreed upon outpatient services related to non-KMC clinics

2. Medical Education; Academic Responsibilities

- Provides clinical mentoring to and evaluation of residents and medical students
- Establishes and maintains academic appointment at David Geffen School of Medicine at University of California, Los Angeles

3. Teaching Responsibilities

- Participates in morning report, morbidity and mortality conference, board review, and Journal Club
- Participates in bedside and clinic teaching of residents and medical students
- Participates in didactic lectures

4. Administrative Responsibilities

- Participates in board reviews and Department quality improvement activities
- Participates in development of Department curriculum
- Performs other duties as assigned by the Department Chair

5. Committee Assignments

- Attends Department staff meetings and the annual medical staff meeting
- Participates in Medical Staff committees as assigned by the President of the Medical Staff

6. Assistant Program Director Responsibilities

- Supports the planning and implementation of program goals to fulfill the mission of the hospital, program, or institution
- Assists the Program Director in the resident evaluation process, as required by the program and Residency Review Committee
- Assists the Program Director in monitoring duty hours of residents and counsels residents when needed
- Resolves residency-related problems through written or oral communication, under the guidance of the Program Director
- Assists the Program Director in the recruitment of trainees
- Assists the Program Director in setting up a mentoring system for residents with faculty
- Assists the Program Director in ensuring that residents are meeting program and Residency Review Committee requirements to be eligible to sit for the board examination upon residency completion
- Performs other duties as assigned or necessary to support the residency program

#### 7. Director of University Relations Responsibilities

- Serves in a capacity that fosters a close working relationship with OB-GYN Departments in the University of California Health System or other academic institutions
- Establishes opportunities to support KMC's academic program in collaboration with outside institutions such as lectures, grand rounds, and didactic sessions
- Explores the feasibility of one or more sponsored Fellowship programs and as appropriate develop such programs
- Considers opportunities to attract visiting residents and medical students to rotate within KMC
- Promotes an environment of academic excellence through research and publication in collaboration with outside institutions

#### 8. Medical Director Responsibilities

- Provides clinical and administrative oversight for the labor and delivery unit, ensuring safe, high-quality, patient-centered obstetrical care
- Collaborates with nursing leadership, hospital administration, and Department faculty to implement and maintain evidence-based protocols and quality improvement initiatives in labor and delivery
- Oversees resident education, supervision, and performance during labor and delivery rotations, ensuring clinical duties align with ACGME competencies and learning objectives
- Leads multidisciplinary labor and delivery rounds and actively participates in obstetric emergency response efforts, including simulation and real-time debriefings
- Monitors labor and delivery unit metrics including cesarean section rates, maternal and neonatal outcomes, and patient satisfaction, and takes appropriate actions to improve performance
- Serves as a liaison between the Department and KMC's Women and Children's Services to promote integrated, team-based care

- Participates in hospital committees related to perinatal care, maternal safety, and labor and delivery operations
- Provides direct patient care and supervision in labor and delivery as part of clinical responsibilities

**Employment Standards:**

Completion of an accredited residency program in obstetrics and gynecology; one (1) year of post-residency experience in obstetrics and gynecology desirable

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 Obstetrics and Gynecology in obstetrics and gynecology-general

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

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**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Agreement with John B. Schlaerth, M.D., A California Medical Corporation, an independent contractor, for professional medical services in the Department of Obstetrics and Gynecology

**Recommended Action:** Approve; Authorize Chairman to sign

**Summary:**

Kern Medical requests your Board approve the proposed Agreement with John B. Schlaerth, M.D., A Medical Corporation, for gynecologic oncology services in the Department of Obstetrics and Gynecology. Dr. Schlaerth has provided services to Kern Medical patients as an independent contractor since 2007. Dr. Schlaerth is board certified by the American Board of Obstetrics and Gynecology in obstetrics and gynecology-general and gynecologic oncology-subspecialty.

The Agreement is for a term of three years from September 1, 2025 through August 31, 2028. Dr. Schlaerth will be paid an all-inclusive fixed fee in the amount of \$440,000 per year at the rate of \$36,666.67 per month with a maximum payable not to exceed \$1,320,000 over the three-year term. Kern Medical has the exclusive right to set, bill, collect, and retain all professional fees for the services provided by Dr. Schlaerth. He will continue to provide services in the hospital and outpatient clinics, clinical mentoring to and evaluation of residents and medical students, and support Kern Medical's cancer programs.

Therefore, it is recommended that your Board approve the Agreement with John B. Schlaerth, M.D., A Medical Corporation, for professional medical services in the Department of Obstetrics and Gynecology from September 1, 2025 through August 31, 2028, in an amount not to exceed \$1,320,000 over the three-year term, and authorize the Chairman to sign.

**AGREEMENT FOR PROFESSIONAL SERVICES  
INDEPENDENT CONTRACTOR  
(Kern County Hospital Authority – John B. Schlaerth, M.D., A Medical Corporation)**

This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025, between Kern County Hospital Authority, a local unit of government (“Authority”), and John B. Schlaerth, M.D., A Medical Corporation, a California professional medical corporation (“Contractor”), with its principal place of business located at 3244 Villa Highlands, Pasadena, California 91107.

**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 owns and operates Kern Medical Center (“KMC”), a general acute care hospital located at 1700 Mount Vernon Avenue, Bakersfield, California, and affiliated clinics (collectively, the “Premises”), in which is located the Department of Obstetrics and Gynecology (the “Department”); and

(c) Contractor is a California professional medical corporation with medical doctors (collectively, “Group Physicians” or individually, “Group Physician”) who provide gynecologic oncology and gynecologic services on behalf of Contractor; and

(d) Authority requires the assistance of Contractor to provide professional medical services to patients of KMC and teaching services to resident physicians employed by Authority, as such services are unavailable from Authority resources, and Contractor desires to provide such services on the terms and conditions set forth in this Agreement; and

(e) Contractor 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.** This Agreement shall be effective and the term shall commence as of September 1, 2025 (the “Effective Date”), and shall end August 31, 2028, unless earlier terminated pursuant to other provisions of this Agreement as herein stated.



## 2. **Obligations of Contractor.**

2.1 **Specified Services.** Contractor agrees to provide professional medical services through Group Physicians at KMC, including but not limited to the services set forth below. Such services may be changed from time to time by agreement of the parties in accordance with the provisions of this Agreement.

2.1.1 **Clinical Responsibilities:** Contractor shall provide mutually agreed upon gynecologic oncology and gynecologic services to patients of KMC.

2.1.2 **Teaching.** Contractor shall provide mutually agreed upon gynecologic oncology and gynecologic teaching to resident physicians and medical students.

2.1.3 **On-site Consultations.** Contractor shall provide on-site consultations, as requested, weekdays, Monday through Friday, and on-site emergency consultations, as requested, weekends, Saturday and Sunday.

2.1.4 **Medical Education; Academic Responsibilities.** Contractor shall ensure assigned Group Physicians (i) provide clinical mentoring to and evaluation of resident physicians and medical students, and (ii) maintain board certification.

2.1.5 **Committee Assignments.** Contractor acknowledges the obligation of Group Physicians to (i) attend Department staff meetings and the annual medical staff meeting, (ii) participate in medical staff committees as assigned by the president of the medical staff, and (iii) attend and participate in the Cancer Committee.

2.2 **Representations.** Contractor makes the following representations which are agreed to be material to and form a part of the inducement for this Agreement: (i) Contractor has the expertise and support staff necessary to provide the services described in this Agreement; and (ii) Contractor does not have any actual or potential interests adverse to Authority nor does Contractor represent a person or firm with an interest adverse to Authority with reference to the subject of this Agreement; and (iii) Contractor shall diligently provide all required services in a timely and professional manner in accordance with the terms and conditions set forth in this Agreement.

2.3 **Standard of Care.** Authority has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby agrees that all of its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Contractor's work by Authority shall not operate as a waiver or release.

2.4 **Performance Standard.** Contractor shall perform all services hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Contractor's profession. If Authority determines that any of Contractor's

work is not in accordance with such level of competency and standard of care, Authority, in its sole discretion, shall have the right to do any or all of the following: (a) require Contractor to meet with Authority to review the quality of the work and resolve matters of concern; (b) terminate this Agreement pursuant to the provisions of section 36; or (c) pursue any and all other remedies at law or in equity.

2.5 Assigned Personnel. Contractor shall assign only competent personnel to perform the Services hereunder. In the event that at any time Authority, in its sole discretion, desires the removal of any person or persons assigned by Contractor to perform the services hereunder, Contractor shall remove such person or persons immediately upon receiving written notice from Authority. Group Physicians providing services under this Agreement include, without limitation, John B. Schlaerth, M.D.

2.6 Qualifications of Group Physicians.

2.6.1 Licensure/Board Certification. Group Physicians shall at all times during the term of this Agreement be duly licensed physicians and surgeons in the state of California, practicing in the medical specialty of gynecologic oncology and gynecology, and certified by the American Board of Obstetrics and Gynecology in obstetrics and gynecology-general and gynecologic oncology-subspecialty, and maintain such certifications at all times during the term of this Agreement.

2.6.2 Medical Staff Status. Each Group Physician shall at all times during the term of this Agreement be a member in good standing of the KMC medical staff with “active” or “courtesy” staff status and hold all clinical privileges on the active or courtesy medical staff appropriate to the discharge of his or her obligations under this Agreement.

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

2.6.4 Training/Experience. Each Group Physician shall have (i) recent gynecologic oncology and gynecology experience in the operating room, labor and delivery, and intensive care unit, (ii) an academic background to include teaching and working in an academic medical center, experience working with other clinical departments, teaching residents and medical students, participating in hospital committees, and working on pathways and evidence-based guidelines, and (iii) ongoing acute care hospital experience.

2.7 Rights and Duties. John B. Schlaerth, M.D., shall act as the authorized agent for Contractor in all matters relating to the performance of Group Physicians under this Agreement. Contractor shall cause Group Physicians to participate in the educational and committee activities of the KMC medical staff. Contractor shall, by contract, obligate Group Physicians to comply fully with all duties, obligations and restrictions imposed upon Contractor under this Agreement.

2.8 Loss or Limitation. Contractor shall notify KMC promptly of any loss, sanction, suspension or material limitations of any Group Physician's license to practice in the state of California, Controlled Substance Registration Certificate issued by the Drug Enforcement Administration, right to participate in the Medicare or Medicaid programs, or specialty qualifications for medical staff membership or clinical privileges.

2.9 Standards of Medical Practice. The standards of medical practice and professional duties of all Group Physicians providing services under this Agreement shall be in accordance with the KMC Medical Staff Bylaws, Rules, Regulations, and policies, the standards for practice 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.

2.10 Medical Record Documentation. Contractor shall cause a complete medical record to be timely prepared and maintained for each patient seen by a Group Physician providing services under this Agreement. 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 Group Physicians will 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.

2.11 Quality Improvement and Risk Management. Contractor agrees that all Group Physicians shall participate in (i) the quality improvement and risk management programs of KMC and serve on such committees as may be required; (ii) ongoing quality improvement activities, such as audits, which will be conducted annually in the Department in order to evaluate and enhance the quality of patient care; and (iii) risk management activities designed to identify, evaluate and reduce the risk of patient injury associated with care. At a minimum, Contractor shall ensure that the quality improvement program consists of the following integrated components: (i) professional development that provides continuous performance feedback that is benchmarked, evaluated, and rated individually and collectively; (ii) clinical standards that are evidence-based and grounded in industry best practices; (iii) performance improvement that is outcomes-focused and based on quality indicators/metrics with quarterly reporting of same; and (iv) customer satisfaction that is feedback/survey-driven and objectively and comparatively measured, tracked/trended, and analyzed. The appropriate review mechanism will be applied in accordance with the provisions of the KMC Medical Staff Bylaws, The Joint Commission, and applicable law.

2.12 Taxes. Contractor agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Contractor agrees to indemnify and hold Authority harmless from any liability which it may incur to the United States or to the state of California as a consequence of Contractor's failure to pay, when due, all such taxes and obligations. In case Authority is audited for compliance regarding any withholding or other applicable taxes, Contractor agrees to furnish Authority with proof of payment of taxes on these earnings.

2.13 Nonexclusive Services. Contractor understands and agrees that Authority will utilize the services of Contractor pursuant to the terms of this Agreement on a non-exclusive basis. Contractor further agrees that Authority shall retain the option to enter into agreements with other organizations for purposes of securing the services, in its sole discretion.

3. **Obligations of Authority.**

3.1 Authority Designee. Authority shall designate a primary contact, who will arrange for KMC staff assistance as may be required.

3.2 Space. KMC shall furnish for the use of Contractor and Group Physicians such space and facilities as may be deemed necessary by KMC for the proper operation and conduct of the Department. KMC shall, in its sole discretion, determine the amount and type of space and facilities to be provided herein. Contractor shall use the space and equipment solely for the performance of the services required under this Agreement. Neither Contractor nor Group Physicians shall use such space or equipment for other business or personal use.

3.3 Use Limitations on Space. The use of any part of the space occupied by the Department for the general or private practice of medicine is prohibited. Contractor and Group Physicians shall use the items furnished under this Agreement only for the performance of services required by this Agreement. This Agreement shall not be construed to be a lease to Contractor or any Group Physician of any portion of the Premises, and insofar as Contractor or Group Physicians may use a portion of said Premises, Contractor and Group Physicians do so as licensees only, and Authority and KMC shall, at all times, have full and free access to the same.

3.4 Equipment. KMC shall furnish for the use of the Department such equipment as is deemed necessary by KMC for the proper operation and conduct of the Department consistent with community standards. KMC shall keep and maintain this equipment in good order and repair and replace such equipment, as is reasonably necessary and subject to the usual purchasing practices of Authority and KMC and budget constraints.

3.5 Services and Supplies. KMC shall provide or arrange for the provision of janitorial services, housekeeping services, laundry and utilities, together with such other hospital services, including medical records, administrative and engineering services, and expendable supplies, as KMC deems necessary for the proper operation and conduct of the Department.

3.6 Control Retained in KMC. In compliance with title 22, California Code of Regulations, section 70713 KMC will retain professional and administrative responsibility for services rendered under this Agreement. Contractor shall apprise KMC of recommendations, plans for implementation and continuing assessment through dated and signed reports, which shall be retained by KMC for follow-up action and evaluation of performance.

4. **Payment for Services.**

4.1 Compensation. As consideration for the services provided by Contractor hereunder, Authority will pay Contractor in accordance with the fee schedule set forth in this paragraph 4.1. All services are payable in arrears.

4.1.1 Annual Fee. Authority shall pay Contractor a fixed fee in the amount of \$440,000 per year at the rate of \$36,666.67 per month.

4.1.2 Compensation All-inclusive. The compensation paid to Contractor is inclusive of all expenses, including without limitation, lodging, mileage reimbursement, car rental, meals, and incidental expenses.

4.1.3 Limitations on Compensation. Except as expressly stated herein, neither Contractor nor Group Physicians shall receive any benefits from Authority, including without limitation, health benefits, sick leave, vacation, holidays, deferred compensation or retirement.

4.1.4 Fair Market Value Compensation. The compensation provided under section 4.1 represents the parties' good faith determination of the reasonable fair market value compensation for the services to be provided by Contractor under this Agreement.

4.2 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed \$1,320,000 over the three (3) year term of this Agreement.

4.3 Invoices. Invoices for payment shall be submitted in a form approved by KMC and list each service performed. Invoices and receipts shall be sent to KMC for review and processing within sixty (60) days of the date of service or payment will not be made. Payment shall be made to Contractor within thirty (30) days of receipt and approval of each invoice by KMC.

4.4 Taxpayer Identification. To ensure compensation is reported as paid to the proper party, Contractor will complete and execute IRS Form W-9 (Exhibit "A," attached hereto and incorporated herein by this reference), which identifies the taxpayer identification number for Contractor.

4.5 Professional Fee Billing. KMC shall have the exclusive right to set, bill, collect and retain all fees, including professional fees, for all direct patient care services provided by Contractor and Group Physicians to KMC patients at KMC or a KMC location during the term of this Agreement. All professional fees generated by Contractor or Group Physicians for services rendered to KMC patients at KMC or a KMC location during the term of this Agreement, including both cash collections and accounts receivable, will be the sole and exclusive property of KMC, whether received by KMC or by Contractor or a Group Physician and whether received during the term of this Agreement or anytime thereafter. Contractor and Group Physicians hereby assign 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.

4.6 Managed Care Contracting. Contractor shall cooperate, and shall ensure that Group Physicians 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 Authority or KMC to participate in any third-party payer arrangements, Contractor and/or Group Physicians shall, upon request: (i) enroll as a provider (if required by the third-party payer), separate from Authority and KMC, with any third-party payer or intermediate organization (including any independent practice association) (each, a “Managed Care Organization”) designated by Authority or 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.

5. **Access to Books and Records.** Contractor shall make available, upon written request from Authority or KMC, the Secretary of Health and Human Services, the Comptroller General of the United States, or any other duly authorized agent or representative, this Agreement, and Contractor’s books, documents and records. Contractor shall preserve and make available such books, documents and records for a period of seven (7) years after the termination or expiration of this Agreement. If Contractor is requested to disclose books, documents or records pursuant to this section for any purpose, Contractor shall notify KMC of the nature and scope of the request, and Contractor shall make available, upon written request of KMC, all such books, documents or records.

6. **Anti-referral Laws.** Contractor acknowledges that it is subject to certain federal and state laws governing the referral of patients, which are in effect during the term of this Agreement. These laws include (i) prohibitions on payments for referral or to induce the referral of patients, and (ii) the referral of patients by a physician for certain designated health care services to an entity with which the physician (or his or her immediate family) has a financial relationship (Cal. Business and Professions Code sections 650 et seq.; Cal. Labor Code sections 139.3 and 139.31; section 1128B (b) of the Social Security Act; and section 1877 of the Social Security Act). The parties expressly agree that nothing contained in this Agreement shall require either the referral of any patients to, or order of any goods or services from Contractor or KMC. Notwithstanding any unanticipated effect of any provision of this Agreement, neither party shall knowingly or intentionally conduct itself in such a manner as to violate the prohibition against fraud and abuse in connection with the Medicare and Medicaid programs (42 U.S.C. section 1320a-7b).

7. **Assignment.** Contractor shall not assign, delegate, sublet, or transfer any interest in or duty under this Agreement. Contractor shall not assign any money due or which becomes due to Contractor under this Agreement without the prior written approval of Authority.

8. **Audits, Inspection and Retention of Records.** Contractor agrees to maintain and make available to Authority accurate books and records relative to all its activities under this Agreement. Contractor shall permit Authority to audit, examine and make excerpts and transcripts from such records, and to conduct audits or reviews of all invoices, materials, records or personnel or other data related to all other matters covered by this Agreement. Contractor

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 Agreement, 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 Agreement shall have the same rights conferred upon Authority herein.

9. **Authority to Incur Financial Obligation.** It is understood that neither Contractor nor any officer, agent, employee, servant or subcontractor of Contractor, in the performance of any and all duties under this Agreement, has the right, power or authority to bind Authority to any agreements or undertakings.

10. **Captions.** The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

11. **Change in Law.** In the event that a change in state or federal law or regulatory requirement (or the application thereof), any of which renders this Agreement illegal, impossible to perform, or commercially impracticable, the parties agree to negotiate immediately, in good faith, any necessary or appropriate amendment(s) to the terms of this Agreement. If the parties fail to reach a mutually agreeable amendment within thirty (30) days of such negotiation period, this Agreement shall automatically terminate at the end of such thirty (30) day period.

12. **Choice of Law/Venue.** The parties hereto agree that the provisions of this Agreement will be construed pursuant to the laws of the state of California. It is expressly acknowledged that this Agreement has been entered into and will be performed within the County of Kern. Should any suit or action be commenced to enforce or interpret the terms of this Agreement or any claim arising under it, it is expressly agreed that proper venue shall be in County of Kern, state of California.

13. **Compliance with Law.** Contractor 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.

14. **Compliance Program.** Contractor acknowledges that KMC has implemented a compliance program for the purpose of ensuring adherence to applicable federal and state laws, regulations and other standards. Contractor agrees that in the course of performance of its duties described herein that it shall act, and cause its employees to act, in conformance with the policies set forth therein. KMC shall make available such information relating to its compliance program as is appropriate to assist Contractor in adhering to the policies set forth in the compliance program. Contractor and its employees shall participate in compliance training and education as reasonably requested by KMC.

15. **Confidentiality.**

15.1 **Use and Disclosure Restrictions.** Neither party shall, without the written consent of the other, communicate confidential information of the other, designated in writing or

identified in this Agreement as such, to any third party and shall protect such information from inadvertent disclosure to any third party in the same manner that the receiving party would protect its own confidential information. The foregoing obligations will not restrict either party from disclosing confidential information of the other party: (i) pursuant to applicable law; (ii) pursuant to the order or requirement of a court, administrative agency, or other governmental body, on condition that the party required to make such a disclosure gives reasonable written notice to the other party to contest such order or requirement; and (iii) on a confidential basis to its legal or financial advisors.

15.2 Trade Secrets. The parties acknowledge that each party, in connection with its business, has developed certain operating manuals, symbols, trademarks, trade names, service marks, designs, patient lists, procedures, processes, and other copyrighted, patented, trademarked, or legally protectable information which is confidential and proprietary to the party that constitute its trade secrets. The parties shall not use any name, symbol, mark, or other proprietary information of the other party except as expressly permitted.

15.3 Medical Records. The parties agree to maintain the confidentiality of all medical records pertaining to the provision of services under this Agreement in accordance with applicable federal and state laws and regulations including, but not limited to, the California Confidentiality of Medical Records Information Act, codified at section 56.1 of the California Civil Code, California Evidence Code sections 1156 and 1157, and the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations.

15.4 Medical Staff and Committee Records. All records, files, proceedings and related information of Group Physicians, KMC and the medical staff and its committees pertaining to the evaluation and improvements of the quality of patient care at KMC shall be kept strictly confidential by Contractor and Group Physicians. Neither Contractor nor Group Physicians shall voluntarily disclose such confidential information, either orally or in writing, except as expressly required by law or pursuant to written authorization by KMC, which may be given or withheld in the sole discretion of KMC.

15.5 Ownership of Records. All documents, papers, notes, memoranda, computer files and other written or electronic records of any kind ("Documents"), in whatever form or format, assembled, prepared or utilized by Contractor or Group Physicians during and in connection with this Agreement shall remain the property of Authority at all times. Upon the expiration or termination of this Agreement, Contractor shall promptly deliver to Authority all such Documents, which have not already been provided to Authority in such form or format, as Authority deems appropriate. Such Documents shall be and will remain the property of Authority without restriction or limitation. Contractor may retain copies of the above-described Documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of Authority.

15.6 Non-disparagement. Each party agrees that it shall not make or cause to be made, any written (including, but not limited to, any emails, internet postings, remarks or statements) or verbal assertions, statements or other communications regarding the other party's business or



each other which may be in any manner whatsoever defamatory, detrimental or unfavorable to such other party. Each party agrees that these non-disparagement covenants shall survive the termination of this Agreement.

16. **Conflict of Interest.** Contractor covenants that it has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Contractor further covenants that in the performance of this Agreement no person having any such interests shall be employed. 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.

17. **Consent.** Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

18. **Construction.** To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Contractor and Authority acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Contractor and Authority acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

19. **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.

20. **Disqualified Persons.** 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 programs 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”) or the Government Services Administration (“GSA”); (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 subcontracts or from receiving federal financial and nonfinancial assistance and benefits. This shall be an ongoing 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. Any breach of this section shall give the non-breaching party the right to terminate this Agreement immediately upon written notice.

21. **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.
22. **Immigration Compliance.** Contractor shall comply with all provisions of immigration law with respect to hiring, recruiting or referring for employment persons whose authorization for employment in the United States has been verified, and shall provide KMC with a copy of such verification required in 8 USCA section 1324a. Contractor agrees to indemnify, defend, and hold harmless Authority, its agents, officers, and employees, from any liability, damages, or causes of action arising out of Contractor's failure to comply with this section 22.
23. **Indemnification and Hold Harmless.** Authority shall assume liability for and indemnify and hold Contractor and Group Physicians harmless from any and all claims, losses, expenses, costs, actions, settlements, attorneys' fees and judgments incurred by Contractor or Group Physicians or for which Contractor or Group Physicians becomes liable, arising out of or related to professional services rendered or which a third party alleges should have been rendered by Contractor or Group Physicians pursuant to this Agreement. Authority's obligation under this paragraph shall extend from the Effective Date and shall survive termination or expiration of this Agreement to include all claims that allegedly arise out of professional services Contractor or Group Physicians 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 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 Contractor or Group Physicians harmless for any conduct or misconduct found to be intentional, willful, grossly negligent, or criminal.
24. **Independent Contractor.** In the performance of the services under this Agreement, Contractor shall be, and acknowledges that Contractor is in fact and law, an independent contractor and not an agent or employee of Authority. Contractor has and retains the right to exercise full supervision and control over the manner and methods of providing services to Authority under this Agreement. Contractor retains full supervision and control over the employment, direction, compensation and discharge of all persons assisting Contractor in the provision of services under this Agreement. With respect to Contractor's employees, if any, Contractor 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 employment taxes whether federal, state or local, and compliance with any and all other laws regulating employment.
25. **Informal Dispute Resolution.** Controversies between the parties with respect to this Agreement, or the rights of either party, or with respect to any transaction contemplated by this Agreement, shall be resolved, to the extent possible, by informal meetings and discussions among appropriate representatives of the parties.

26. **Insurance.** With respect to performance of work under this Agreement, Contractor shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain, insurance as described in Exhibit “B,” attached hereto and incorporated herein by this reference.
27. **Modifications of Agreement.** This Agreement may be modified in writing only, signed by the parties in interest at the time of the modification.
28. **No Third Party Beneficiaries.** It is expressly understood and agreed that the enforcement of this Agreement and all rights of action relating to such enforcement, shall be strictly reserved to Authority and Contractor. Nothing contained in this Agreement shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of Authority and Contractor that any such person or entity, other than Authority or Contractor, receiving services or benefits under this Agreement shall be deemed an incidental beneficiary only.
29. **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 Contractor, 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. Contractor will be given thirty (30) days’ prior written notice in the event that Authority requires such an action.
30. **Non-collusion Covenant.** Contractor 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 Agreement with Authority. Contractor has received from Authority no incentive or special payments, nor considerations, not related to the provision of services under this Agreement.
31. **Nondiscrimination.** Neither Contractor, nor any officer, agent, employee, servant or subcontractor of Contractor shall discriminate in the treatment or employment of any individual or groups of individuals on the grounds of race, color, ancestry, national origin, religion, sex, actual or perceived sexual orientation, marital status, age, pregnancy, medical condition, handicap or other prohibited basis, either directly, indirectly or through contractual or other arrangements.
32. **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 Contractor. 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.
33. **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 Contractor:

John B. Schlaerth, M.D.,  
A Medical Corporation  
3244 Villa Highlands  
Pasadena, California 91107  
Attn.: Its President

Notice to Authority:

Kern Medical Center  
1700 Mount Vernon Avenue  
Bakersfield, California 93306  
Attn.: Chief Executive Officer

34. **Signature Authority.** Each party represents that they have full power and authority to enter into and perform this Agreement, and the person(s) 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 all exhibits hereto, 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.

36. **Termination.**

36.1 **Termination without Cause.** Either party may terminate this Agreement, without cause, upon thirty (30) days' prior written notice to the other party.

36.2 **Immediate Termination.** Authority shall have the right to terminate this Agreement at any time upon the occurrence of any one or more of the following events:

- A) Breach of this Agreement by Contractor where such breach is not cured within thirty (30) calendar days after Authority gives written notice of such breach to Contractor;
- B) Authority ceases operations;
- C) Contractor is unable to obtain or maintain sufficient insurance, as required under this Agreement, for any reason;
- D) Contractor makes an assignment for the benefit of creditors, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, dissolution, liquidation or other similar law of any jurisdiction;
- E) Contractor is rendered unable to comply with the terms of this Agreement for any reason;

- F) Contractor engages in conduct that, in Authority's good faith determination, jeopardizes the mental or physical health, safety or well-being of any person or damages the reputation of Authority or KMC;
- G) Within a twelve (12) month period, Contractor has two (2) or more medical malpractice claims filed against him or her, or he or she becomes the subject of two (2) or more adverse proceedings by the Medical Staff regarding the performance of professional medical services;
- H) Any legislation, regulation, rule or procedure passed, adopted or implemented by any federal, state or local government or legislative body, or any notice of a decision, finding, interpretation or action by any governmental, court or other third party which, in the opinion of Authority, if or when implemented, would result in the arrangement between the parties under this Agreement to subject Authority or any of its employees or agents, to civil or criminal prosecution or monetary penalties on the basis of their participation in executing this Agreement or performing their respective obligations under this Agreement;
- I) Violation of any federal or state law or regulatory rule or regulation or condition of accreditation or certification to which Authority or KMC is subject;
- J) Contractor makes an unauthorized use or disclosure of confidential or proprietary information by Contractor which causes material harm to Authority or KMC;
- K) Commission of a material act involving moral turpitude, fraud, dishonesty, embezzlement, misappropriation or financial dishonesty by Contractor against Authority or KMC; or
- L) The loss or threatened loss of KMC's ability to participate in any federal or state health care program, including Medicare or Medi-Cal, due to the actions of Contractor.

37. **Effect of Termination.**

37.1 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 Contractor after the effective date of the termination, and Contractor shall be entitled to receive compensation for services satisfactorily rendered, calculated on a prorated basis up to the effective date of termination.

37.2 Vacate Premises. Upon expiration or earlier termination of this Agreement, Contractor shall immediately vacate KMC, removing at such time any and all personal property

of Contractor. Authority may remove and store, at Contractor's expense, any personal property that Contractor has not so removed.

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

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

38. **Time of Essence.** Time is hereby expressly declared to be of the essence of this Agreement 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 Agreement.

39. **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.

JOHN B. SCHLAERTH, M.D.,  
A MEDICAL CORPORATION

By \_\_\_\_\_  
John B. Schlaerth, M.D.  
Its President

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”**

**IRS FORM W-9**

**[TO BE ATTACHED]**



## **EXHIBIT “B” INSURANCE**

With respect to performance of work under this Agreement, Contractor 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 Authority. Any requirement for insurance to be maintained after completion of the work shall survive the termination or expiration of this Agreement.

Authority 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 Contractor 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 Contractor has employees. If Contractor currently has no employees, Contractor’s written confirmation of such will be required before execution of this Agreement. If Contractor engages any employees during the term of this Agreement or any extensions thereof, Contractor 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 Authority for all work performed by Contractor, 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 Contractor maintains higher limits than the specified minimum limits, Authority requires and shall be entitled to coverage for the higher limits maintained by Contractor.
- (c) If Contractor 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 Authority. Contractor is responsible for any deductible or self-insured retention and shall fund it upon Authority's written request, regardless of whether Contractor has a claim against the insurance or is named as a party in any action involving Authority.
- (e) Authority shall be named as an additional insured for liability arising out of operations by or on behalf of Contractor in the performance of this Agreement. See section 5 below for full Additional Insured wording.
- (f) The insurance provided to Authority as an additional insured shall be primary to and non-contributory with any insurance or self-insurance program maintained by Authority.
- (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 Authority and Contractor 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 Contractor currently owns no autos, Contractor 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) Authority shall be named as an additional insured for liability arising out of operations by or on behalf of Contractor in the performance of this Agreement. See section 5 for full Additional Insured wording.
- (e) Required Evidence of Insurance: Certificate of Insurance.

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

5. 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.

6. 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, Contractor must purchase “extended reporting” coverage for a minimum of *five (5) years* after completion of the contract work.

7. Documentation:

- (a) The Certificate of Insurance must include the following reference: **“Agreement for Professional Services.”**
- (b) All required Evidence of Insurance shall be submitted prior to the execution of this Agreement. Contractor agrees to maintain current Evidence of Insurance on file with Authority for the entire term of this Agreement and any additional periods if specified in sections 1, 2 or 3 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 ten (10) days before expiration or other termination of the existing policy.
- (e) Contractor 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 Authority within thirty (30) days.

8. Policy Obligations: Contractor’s indemnity and other obligations shall not be limited by the foregoing insurance requirements.

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

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

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

[INTENTIONALLY LEFT BLANK]



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Agreement with Efe Chantal Ghanney Simons, M.D., a contract employee, for professional medical services in the Department of Surgery

**Recommended Action:** Approve; Authorize the Chairman to sign

**Summary:**

Kern Medical requests your Board approve an Agreement with Efe Chantal Ghanney Simons, M.D., for professional medical services in the Department of Surgery, for a term of three years from September 20, 2025 through September 19, 2028, in an amount not to exceed \$2,250,000. Dr. Simons is a fellowship trained urologist with additional fellowship training in urogynecology and reconstructive pelvic surgery. She is eligible for certification by the American Board of Urology in urology-general and urogynecology and reconstructive pelvic surgery-subspecialty.

Dr. Simons' tiered annual base salary, which will start at \$690,000 for year one of her employment with annual salary increases to \$720,000 beginning year two and \$750,000 beginning year three, 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 she will provide. Dr. Simons' compensation is comprised of (i) a base salary for teaching and administrative duties; (ii) payment for care of KMC patients; and (iii) weekday and weekend call coverage. Dr. Simons will receive the same complement of benefits offered all employed physicians to include eligibility to participate in the physicians' pension plan, healthcare coverage, vacation and sick leave, education days and CME reimbursement, and the option to elect voluntary benefits at no cost to Kern Medical. In addition, Dr. Simons will receive a relocation reimbursement not to exceed \$25,000. The maximum payable under the Agreement will not exceed \$2,250,000 over the three-year term, excluding the cost of benefits.

Therefore, it is recommended that your Board approve the Agreement with Efe Chantal Ghanney Simons, M.D., for professional medical services in the Department of Surgery from September 20, 2025 through September 19, 2028, in an amount not to exceed \$2,250,000, plus applicable benefits, and authorize the Chairman to sign.

**AGREEMENT FOR PROFESSIONAL SERVICES  
CONTRACT EMPLOYEE  
(Kern County Hospital Authority – Efe Chantal Ghanney Simons, M.D.)**

This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025, between Kern County Hospital Authority, a local unit of government (“Authority”), which owns and operates Kern Medical Center (“KMC”), and Efe Chantal Ghanney Simons, 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 Surgery 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 initial term of this Agreement (“Initial Term”) shall be for a period of three (3) years, commencing as of September 20, 2025 (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<sup>1</sup>; (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.**

A) Physician shall obtain board certification by the American Board of Urology in urology-general within twenty-four (24) months of the Commencement Date and maintain such certification at all times during the Term of this Agreement.

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<sup>1</sup> 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.

- B) Physician shall obtain board certification by the American Board of Urology in urogynecology and reconstructive pelvic surgery-subspecialty within thirty-six (36) months of the Commencement Date and maintain such certification 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 her obligations under this Agreement.

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 she shall not enter into any other physician employment contract or otherwise engage in the private practice of medicine 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 her 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 – Effective September 20, 2025. Authority shall pay Physician an Annual Salary comprised of (i) a base salary for teaching and administrative duties and (ii) payment for care of KMC patients in the amount of \$690,000 per year,<sup>2</sup> to be paid as follows: Physician shall be paid \$26,538.46 biweekly not to exceed \$690,000 annually.

5.1.2 Annual Salary – Effective September 20, 2026. Authority shall pay Physician an Annual Salary comprised of (i) a base salary for teaching and administrative duties and (ii) payment for care of KMC patients in the amount of \$720,000 per year,<sup>1</sup> to be paid as follows: Physician shall be paid \$27,692.30 biweekly not to exceed \$720,000 annually.

5.1.3 Annual Salary – Effective September 20, 2027. Authority shall pay Physician an Annual Salary comprised of (i) a base salary for teaching and administrative duties and (ii) payment for care of KMC patients in the amount of \$750,000 per year,<sup>2</sup> to be paid as follows: Physician shall be paid \$28,846.15 biweekly not to exceed \$750,000 annually.

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<sup>2</sup> The Annual Salary paid to Physician is comprised of a base salary for teaching and administrative duties in the amount of \$20,000 and payment for care of KMC patients in the amount of \$670,000 (MGMA 50th percentile with Worked RVU threshold of 7,518 = \$480,000; call coverage = \$190,000).

<sup>3</sup> The Annual Salary paid to Physician is comprised of a base salary for teaching and administrative duties in the amount of \$50,000 and payment for care of KMC patients in the amount of \$670,000 (MGMA 50th percentile with Worked RVU threshold of 7,518 = \$480,000; call coverage = \$190,000).

<sup>4</sup> The Annual Salary paid to Physician is comprised of a base salary for teaching and administrative duties in the amount of \$80,000 and payment for care of KMC patients in the amount of \$670,000 (MGMA 50th percentile with Worked RVU threshold of 7,518 = \$480,000; call coverage = \$190,000).

5.1.4 Compensation Methodology. 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 median level (50th percentile) of worked relative value units (“Worked RVU”) based on the current MGMA Survey and fulfill all the duties set forth in Exhibit “A” during the Initial Term of this Agreement.

5.1.5 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.

5.1.6 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 Starting Bonus.

5.2.1 Bonus. Physician shall receive a starting bonus in the amount of \$25,000, 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 she fails to report to work on the Commencement Date.

5.2.2 Repayment. In the event that Physician voluntarily terminates her employment with Authority for any reason whatsoever before the first anniversary of this Agreement, Physician shall 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 her termination of employment with Authority.

5.2.3 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.

## 5.3 Professional Fee Billing.

5.3.1 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 during the Term of this Agreement. All professional fees generated by Physician 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.

5.3.2 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.

5.4 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed \$2,250,000 over the three (3) year Initial 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 credited with vacation leave of 9.23 hours for each pay period of service, for a maximum accrual of two hundred forty (240) hours per Employment Year. Total unused vacation leave accumulated shall not exceed a maximum of three hundred twenty (320) hours. No further vacation leave will accrue as long as Physician has the maximum number of hours credited. The Department Chair must approve all vacation leave in advance. 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), less 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 she 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 she 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 she 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 \$25,000, 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 \$694.44 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.<sup>5</sup>

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 her 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 her 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.

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.

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<sup>5</sup> By way of example only, in the event Physician terminates her employment after eighteen (18) months then Physician will be vested to the extent of \$12,500 in the relocation expenses described herein and will be obligated to repay Authority the amount of \$12,500. **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.**

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 she receives in the course of her 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 7920.000 et seq. Upon completion of the Agreement, the provisions of this paragraph shall continue to survive.

14. **Conflict of Interest.** Physician covenants that she has no interest and that she 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 her 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:

Efe Chantal Ghanney Simons, M.D.  
2708 S. Spurway Drive  
Ann Arbor, Michigan 48105

Notice to Authority:

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 ninety (90) 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 \_\_\_\_\_  
Efe Chantal Ghanney Simons, 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

**EXHIBIT “A”**  
**JOB DESCRIPTION**  
**Efe Chantal Ghanney Simons, M.D.**

**Position Description:** Reports to the Chair, Department of Surgery; report to the Chief, Division of Urology; serves as part-time faculty<sup>1</sup> in the Department of Surgery, Division of Urology; serves as part-time faculty in the Department of Obstetrics and Gynecology, Division of Urogynecology; provides no fewer than eighty (80) hours of service per biweekly pay period.

**Essential Functions:**

1. Clinical Responsibilities

- Performs urologic procedures
- Schedules and maintains adequate clinic hours, a minimum of two (2) half days per week, to meet the needs of the urology service
- Supervises residents while on service
- Schedules and maintains adequate clinic hours, a minimum of two (2) half days per week, to meet the needs of the urogynecology service
- Provides medical, surgical, and gynecological services
- Provides mutually agreed upon weekday and weekend after hours call coverage for the urology service
- Supervises procedures performed by residents and mid-level providers while on service
- Performs therapeutic and diagnostic procedures within the scope of practice for a urogynecologist while on service
- Coordinates with faculty schedules and activities to provide service and improve efficiency for clinical activities in the Department of Surgery and the Department of Obstetrics and Gynecology
- Conducts inpatient urology rounds
- Conducts inpatient urogynecologic rounds

2. Medical Education; Academic Responsibilities

- Provides clinical mentoring to and evaluation of residents and medical students
- Establishes and maintains academic appointment at David Geffen School of Medicine at University of California, Los Angeles
- Serves as a mentor to OB/GYN residents who desire to conduct research or other scholarly activity
- Serves as a mentor to surgery residents who desire to conduct research or other scholarly activity
- Demonstrates active involvement in urology continuing education
- Demonstrates active involvement in urogynecology continuing education
- Demonstrates active involvement in presentations, publications, and other scholarly activity at local, regional and national scientific societies in accordance with RRC program requirements for both residencies
- Participates in development of curriculum for the surgery and OB/GYN residencies

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<sup>1</sup> “Part-time faculty” is defined as 0.5 FTE.

- Attends and participates in the didactic sessions as assigned for surgery and urogynecology
- Delivers assigned lectures to the surgery and OB/GYN residents
- Participates in morning report, morbidity and mortality conference, board review, and Journal Club for the surgery and OB/GYN departments
- Participates in bedside and clinic teaching of residents and medical students

### 3. Administrative Responsibilities

- Assists in clinical and administrative integration efforts across KMC as appropriate for the urology and urogynecology services assisting with proper program planning, physician recruitment and faculty development, resource allocation, analysis, communication and assessment
- Gathers data through best practices and collaborates with other members of the surgery and OB/GYN departments to recommend services that will increase productivity, minimize duplication of services, increase workflow efficiency, and provide the highest quality care to KMC patients
- Supports each department chair to develop monitoring tools to measure financial, access, quality and satisfaction outcomes for each department
- Participates in the preparation, monitoring, review, and performance of clinical activity in each department
- Participates in the quality improvement and risk management activities, including peer review and quality control functions as assigned to services in each department
- Completes medical records in a timely fashion and works to improve the quality, accuracy, and completeness of documentation
- Works collaboratively with other clinical departments to develop a cohesive and collaborative environment across departments with a focus of enhancing access to patient care for inpatient and outpatient services
- Follows and complies with the Medical Staff Bylaws, Rules, Regulations, and policies and Authority and KMC policies and procedures
- Attends surgery and OB/GYN staff meetings and the annual medical staff meeting
- Attends and actively participates in assigned medical staff and hospital committees
- Participates in other clinical, academic, and administrative activities as assigned by each department chair

### **Employment Standards:**

Completion of an accredited residency program in urology; completion of a post-residency fellowship in urogynecology and reconstructive pelvic surgery; one (1) year of post-residency experience in obstetrics and gynecology

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 Urology in urology-general and urogynecology and reconstructive pelvic surgery-subspecialty

**Knowledge of:** The principles and practices of modern medicine; current techniques, procedures, and equipment applicable to urology, urogynecology, and reconstructive pelvic surgery; principles of effective supervision and program development.

[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.

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Physician

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Date





**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Agreement with Najib Ussef, M.D., a contract employee, for professional medical services in the Department of Surgery

**Recommended Action:** Approve; Authorize Chairman to sign

**Summary:**

Kern Medical requests your Board approve an agreement with Najib Ussef, M.D., a contract employee, for professional medical services in the Department of Surgery. Dr. Ussef is a board certified, fellowship trained orthopedic sports medicine surgeon. Dr. Ussef has been employed with Kern Medical since August 20, 2022.

Dr. Ussef will be paid an annual salary based on his productivity. The proposed Agreement modifies how his worked relative value unit ("Worked RVU") conversion factor will be calculated. Effective August 20, 2025, Kern Medical will pay Dr. Ussef an annual salary comprised of the following: (i) a base salary for teaching and administrative services and (ii) payment for care of patients using the current Medical Group Management Association Physician Compensation and Production Survey ("MGMA Survey") full-time physician compensation with more than one year in the specialty for all physician's section. A conversion factor will be established by taking the average of the MGMA Survey 75th percentile Total Compensation for Orthopedic Surgery (Sports Medicine) and Orthopedic Surgery (Trauma) divided by the average of the MGMA Survey 75th percentile work relative value unit Ratio for Orthopedic Surgery (Sports Medicine) and Orthopedic Surgery (Trauma) to arrive at the dollar value per Worked RVU. This change in methodology continues to represent the reasonable fair market value compensation for the services provided by Dr. Ussef. Dr. Ussef's RVU effort will be reviewed annually on July 1, and his salary adjusted accordingly, based on his productivity. In addition to his annual salary, Dr. Ussef will be paid for weekday and weekend excess call coverage the exceeds 1-in-4. Dr. Ussef will continue to receive the same complement of benefits offered to all Kern Medical physicians.

Therefore, it is recommended that your Board approve the Agreement with Najib Ussef, M.D., for professional medical services in the Department of Surgery from August 20, 2025 through August 19, 2028, in an amount not to exceed \$2,800,000 over the three-year term, plus applicable benefits, and authorize the Chairman to sign.

**AGREEMENT FOR PROFESSIONAL SERVICES  
CONTRACT EMPLOYEE  
(Kern County Hospital Authority – Najib Ussef, M.D.)**

This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025, between Kern County Hospital Authority, a local unit of government (“Authority”), which owns and operates Kern Medical Center (“KMC”), and Najib Ussef, 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 Surgery 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;

(d) Authority currently contracts with Physician as a contract employee for the provision of professional medical services in the Department and teaching services to resident physicians (Agt. #058-2022, dated May 18, 2022), for the period August 20, 2022 through August 19, 2025; and

(e) Each party expressly understands and agrees that Agt. #058-2022 is superseded by this Agreement as of the Commencement Date;

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 20, 2025 (the “Commencement Date”), and shall end August 19, 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. **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<sup>1</sup>; (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.

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<sup>1</sup> 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.

4.3.2 Board Certification. Physician shall be board certified by the American Board of Orthopaedic Surgery in orthopedic surgery-general and maintain such certification 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.

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 "C," 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 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 Compensation Methodology. Authority shall pay Physician an Annual Salary comprised of the following: (i) a base salary for teaching and administrative services and (ii) payment for care of KMC patients using the current Medical Group Management Association Physician Compensation and Production Survey ("MGMA Survey") full-time physician compensation with more than one year in the specialty for all physicians section, based on the following conversion factors:

A) Orthopedic Surgery (Trauma) Conversion Factor. A conversion factor will be established by dividing the MGMA Survey seventy-fifth (75th) percentile Total Compensation for Orthopedic Surgery (Trauma) by the MGMA Survey seventy-fifth (75th) percentile work relative value unit ("wRVU") Ratio for Orthopedic Surgery (Trauma) ("Orthopedic Surgery (Trauma) Conversion Factor"); and

B) Orthopedic Surgery (Sports Medicine) Conversion Factor. A conversion factor will be established by dividing the MGMA Survey seventy-fifth (75th) percentile Total Compensation for Orthopedic Surgery (Sports Medicine) by the MGMA Survey seventy-fifth (75th) percentile wRVU Ratio for Orthopedic Surgery (Sports Medicine) ("Orthopedic Surgery (Sports Medicine) Conversion Factor");

C) Worked RVU Conversion Factor. A worked relative value unit ("Worked RVU") conversion factor will be established by adding the Orthopedic Surgery (Trauma) Conversion Factor (multiplied by 0.25) and the Orthopedic Surgery (Sports Medicine) Conversion Factor (multiplied by 0.75) ("Worked RVU Conversion Factor").

5.1.2 Initial Annual Salary. Physician shall be compensated at the current rate of \$70.73 for each Worked RVU (“RVU Effort”).

5.1.3 Salary Adjustment. Commencing July 1, 2025, and each July 1 thereafter during the Term, KMC will establish an estimate (“Estimate”) of Physician’s RVU Effort using Physician’s RVU Effort for the immediately preceding twelve (12) month period annualized using the current MGMA Survey. The Estimate will be divided by the number of Authority payroll periods in a calendar year in order to calculate the amount of RVU Effort to be paid to Physician each payroll period (the “Paycheck Amount”). Within thirty (30) days after the end of each quarter, KMC will calculate the RVU Effort for such immediately preceding quarter, and adjust the payment for RVU Effort accordingly (the “Actual Amount”). If the Estimate is lower than the Actual Amount, then such difference shall be paid to Physician within thirty (30) days after such calculation has been completed, or as of the effective date of any termination of this Agreement, whichever occurs sooner. If the Estimate exceeds the Actual Amount, then Physician shall pay such difference to KMC: (i) in a lump sum within thirty (30) days after such calculation has been completed; or (ii) through a reduction in the Paycheck Amount during the next quarter; or (iii) in a lump sum as of the effective date of any termination of this Agreement, whichever occurs sooner. **Physician hereby expressly grants to KMC the right to offset any amounts owed to KMC against any payment to be made to Physician by KMC pursuant to this paragraph if Physician fails to pay such excess to KMC.**

5.1.4 Time Logs. Physician shall, on a monthly basis on or before the fifth (5th) day of each calendar month during the Term of this Agreement, submit to KMC a written time log in the form attached hereto and incorporated herein as Exhibit “C,” detailing to KMC’s satisfaction the date, time, actual number of hours, and description of activities related to assigned teaching and administrative duties during the immediately preceding calendar month.

5.1.5 Limitations on Compensation. Authority shall exclude from payment for care of KMC patients any Worked RVU that is not reimbursed by Medicare or Medi-Cal, unless authorized in advance by KMC.

5.1.6 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.

5.1.7 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 Excess Call Coverage.<sup>2</sup> Authority shall pay Physician for excess call coverage as follows: (i) Physician shall be paid the greater of a fixed fee amount of \$2,500 or the Worked RVU per twenty-four (24) hour day for weekend call coverage that exceeds one (1) weekend per month; and (ii) Physician shall be paid the greater of a fixed fee amount of \$2,500 or the Worked RVU per twenty-four (24) hour day for weekday call coverage that exceeds one (1) in four (4) weekdays. All payments made by Authority to Physician shall be subject to all applicable federal and state taxes and withholding requirements.

5.3 Professional Fee Billing.

5.3.1 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 during the Term of this Agreement. All professional fees generated by Physician 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.

5.3.2 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.

5.4 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed \$2,800,000 over the three (3) year Term of this Agreement.

6. Benefits Package.

6.1 Retirement. Physician shall continue to 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).

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<sup>2</sup> For purposes of weekend call coverage, a "weekend" is defined as Friday at 5:00 p.m. to Monday at 7:00 a.m. or, in the event of a holiday, Thursday at 5:00 p.m. to Monday at 7:00 a.m. or Friday at 5:00 p.m. to Tuesday at 7:00 a.m.; For purposes of weekday call coverage, a "weekday" is defined as Monday through Thursday or, in the event of a holiday, Tuesday through Thursday.



6.2 Health Care Coverage. Physician shall continue to 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'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 retain his vacation credit balance, if any, as of the Commencement Date. Effective with the Commencement Date, 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 retain his sick leave credit balance, if any, as of the Commencement Date. Effective with the Commencement Date, 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 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.

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:

Najib Ussef, M.D.  
13907 Barbon Beck Avenue  
Bakersfield, California 93311

Notice to Authority:

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 \_\_\_\_\_  
Najib Ussef, 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

**EXHIBIT “A”**  
**JOB DESCRIPTION**  
**Najib Ussef, M.D.**

**Position Description:** Reports to Chair, Department of Surgery and Chief, Division of Orthopedic Surgery; serves as full-time faculty member in the Department; provides no fewer than eighty (80) hours of service per biweekly pay period; works collaboratively with clinic and surgery staff as well as hospital administration to ensure efficient workflow, adequacy of support equipment, and superior patient experience.

**Essential Functions:**

1. Clinical Responsibilities and Assignments:

- Provide service and improve efficiency for orthopedic clinic activities and surgical cases
- Provide faculty service for acute trauma and fresh fracture call coverage; round and follow-up as appropriate on patients admitted to KMC
- Provide orthopedic sports medicine services
- Supervise orthopedic Physician Assistant activity and competence
- Operating Room – minimum of three (3) full days per week
- Clinic – KMC, Stockdale Highway, Q Street, or other designated clinic sites – minimum of three (3) half-day clinics per week
- Call coverage – one (1) day per week and one (1) weekend per month

2. Administrative Responsibilities:

- Participate in clinical and administrative integration efforts across KMC as appropriate for orthopedic surgery ensuring proper program planning, resource allocation, analysis, communication and assessment
- Gather data through best practices and collaborate with other members of the Department and Division to recommend services that will increase productivity, minimize duplication of services, increase workflow efficiency, and provide the highest quality of care to KMC patients
- Support the Department Chair and Division Chief in developing monitoring tools to measure financial, access, quality, and satisfaction outcomes
- Attend and actively participate in assigned Medical Staff and hospital committees
- Participate in the preparation, monitoring, review, and performance of clinical activity in the Division
- Participate in the quality improvement and risk management activities, including peer review and quality control functions as assigned to services in the Division
- Provide didactic teaching and resident physician and medical student education as assigned and participate in setting goals and expectations for orthopedic surgery medical student rotations
- Complete medical records in a timely fashion and work to improve the quality, accuracy, and completeness of documentation



- Work collaboratively with other clinical departments to develop a cohesive and collaborative environment across departments with a focus of enhancing access to patient care for inpatient and outpatient services
- Work collaboratively with Department and Division leadership and KMC administration to develop an orthopedic sports medicine program to complement existing orthopedic services at KMC
- Follow and comply with the Medical Staff Bylaws, Rules, Regulations, and policies and Authority and KMC policies and procedures

**Employment Standards:**

One (1) year of post-residency experience in orthopedic surgery

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 Orthopaedic Surgery in orthopedic surgery-general

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

[INTENTIONALLY LEFT BLANK]

**EXHIBIT “C”  
TIME LOG FORM**

**[SEE ATTACHED]**

## TIME LOG FORM

\_\_\_\_\_  
Physician Name

\_\_\_\_\_  
Signature / Date

\_\_\_\_\_  
Department

\_\_\_\_\_  
Month / Year of Service

\_\_\_\_\_  
Total Hours / Month

Services Provided (please list specific activity performed)

Date

Hours

1. Medical Staff CME Activities

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2. Hospital Staff Education and Training

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3. Clinical Supervision

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4. Quality Improvement Activities (committees, case review, etc.)

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5. Administration Activities

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6. Community Education

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7. Medical Management Activities

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8. Compliance Activities

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9. Other Services

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**EXHIBIT “C”**

**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.

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Physician

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Date



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Proposed Agreement with Sandeep S. Walia, M.D., A Professional Medical Corporation, doing business as West Coast Eye Institute, an independent contractor, for professional medical services in the Department of Surgery

**Recommended Action:** Approve; Authorize Chairman to sign

**Summary:**

Kern Medical requests your Board approve the proposed Agreement with Sandeep S. Walia, M.D., A Professional Medical Corporation, doing business as West Coast Eye Institute, an independent contractor, for ophthalmology services in the Department of Surgery. Dr Walia is a board-certified ophthalmologist.

Kern Medical requires ongoing ophthalmology services, including comprehensive clinical care, diabetic retina image interpretation, trauma call coverage, ancillary staff support, and staff training in ophthalmology best practices. Dr. Walia has the requisite expertise and will serve as the Director of Ophthalmology for KMC. The Agreement establishes the scope of services, compensation, and responsibilities over a three-year term effective September 1, 2025.

Dr. Walia will provide the following services: ophthalmology coverage at a per diem rate of \$2,400 per day; trauma call coverage at a per diem rate of \$100 per day; diabetic eye exams at a fixed rate of \$10 per interpreted exam; medical director stipend at a rate of \$3,000 per month, not to exceed \$36,000 annually; ancillary staff support at a rate of \$38.75 per hour, not to exceed \$20,000 annually; training services at a per diem rate of \$500 per day, not to exceed \$7,500 for in-service training and education, not to exceed three weeks. The compensation is all-inclusive and represents the parties good faith determination of the reasonable fair market value of the services Dr. Walia and his group will provide. The Agreement is for a term of three years from September 1, 2025 through August 31, 2028, with a maximum payable not exceed \$2,400,000 over the three-year term.

Therefore, it is recommended that your Board approve the proposed Agreement with Sandeep S. Walia, M.D., A Professional Medical Corporation, doing business as West Coast Eye Institute, for professional medical services in the Department of Surgery from September 1, 2025 through August 31, 2028, in an amount not to exceed \$2,400,000, and authorize the Chairman to sign.

**AGREEMENT FOR PROFESSIONAL SERVICES  
INDEPENDENT CONTRACTOR  
(Kern County Hospital Authority – West Coast Eye Institute)**

This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2024, between Kern County Hospital Authority, a local unit of government (“Authority”), and Sandeep S. Walia, M.D., A Professional Medical Corporation, doing business as West Coast Eye Institute, a California professional medical corporation (“Contractor”), with its principal place of business located at 215 China Grade Loop, Bakersfield, California 93308.

**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 owns and operates Kern Medical Center (“KMC”), a general acute care hospital located at 1700 Mount Vernon Avenue, Bakersfield, California, and affiliated clinics (collectively, the “Premises”), in which is located the Department of Surgery (the “Department”); and

(c) Contractor is a California professional medical corporation with medical doctors and advanced practice providers (“APP,” and together with the medical doctors, “Group Physicians” or individually “Group Physician”) who provide services on behalf of Contractor; and

(d) Authority requires the assistance of Contractor to provide professional medical services to patients of KMC and teaching services to resident physicians employed by Authority, as such services are unavailable from Authority resources, and Contractor desires to provide such services on the terms and conditions set forth in this Agreement; and

(e) Contractor 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.** This Agreement shall be effective and the term shall commence as of September 1, 2025 (the “Effective Date”), and shall end August 31, 2028, unless earlier terminated pursuant to other provisions of this Agreement as herein stated.

## 2. **Obligations of Contractor.**

2.1 **Specified Services.** Contractor shall render those services set forth in Exhibit “A,” attached hereto and incorporated herein by this reference. Such services may be changed from time to time by agreement of the parties in accordance with the provisions of this Agreement.

2.2 **Representations.** Contractor makes the following representations which are agreed to be material to and form a part of the inducement for this Agreement: (i) Contractor has the expertise and support staff necessary to provide the services described in this Agreement; and (ii) Contractor does not have any actual or potential interests adverse to Authority nor does Contractor represent a person or firm with an interest adverse to Authority with reference to the subject of this Agreement; and (iii) Contractor shall diligently provide all required services in a timely and professional manner in accordance with the terms and conditions set forth in this Agreement.

2.3 **Standard of Care.** Authority has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby agrees that all of its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Contractor’s work by Authority shall not operate as a waiver or release.

2.4 **Performance Standard.** Contractor shall perform all services hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Contractor’s profession. If Authority determines that any of Contractor’s work is not in accordance with such level of competency and standard of care, Authority, in its sole discretion, shall have the right to do any or all of the following: (a) require Contractor to meet with Authority to review the quality of the work and resolve matters of concern; (b) terminate this Agreement pursuant to the provisions of section 36; or (c) pursue any and all other remedies at law or in equity.

2.5 **Assigned Personnel.** Contractor shall assign only competent personnel to perform the services hereunder. In the event that at any time Authority, in its sole discretion, desires the removal of any person or persons assigned by Contractor to perform the services hereunder, Contractor shall remove such person or persons immediately upon receiving written notice from Authority. Group Physicians providing services under this Agreement include, without limitation, Sandeep S. Walia, M.D.

### 2.6 **Qualifications of Group Physicians.**

2.6.1 **Licensure/Board Certification.** Group Physicians shall at all times during the term of this Agreement be duly licensed physicians and surgeons in the state of California, practicing in the medical specialty of ophthalmology, and certified by or eligible for certification by the American Board of Ophthalmology in ophthalmology-



general, **OR** APP licensed in the state of California, and maintain such license and/or certification at all times during the term of this Agreement.

2.6.2 Medical Staff Status. Each Group Physician shall at all times during the term of this Agreement be a member in good standing of the KMC medical staff with “active” or “courtesy” staff status and hold all clinical privileges on the active or courtesy medical staff appropriate to the discharge of his or her obligations under this Agreement.

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

2.6.4 Training/Experience. Each Group Physician shall have (i) recent experience practicing in the medical specialty of psychiatry to include telemedicine, (ii) an academic background to include teaching and working in an academic medical center, experience working with other clinical departments, teaching residents and medical students, participating in hospital committees, and working on pathways and evidence-based guidelines, and (iii) ongoing outpatient and acute care hospital experience.

2.7 Rights and Duties. Sandeep S. Walia, M.D., shall act as the authorized agent for Contractor in all matters relating to the performance of Group Physicians under this Agreement. Contractor shall cause Group Physicians to participate in the educational and committee activities of the KMC medical staff. Contractor shall, by contract, obligate Group Physicians to comply fully with all duties, obligations and restrictions imposed upon Contractor under this Agreement.

2.8 Loss or Limitation. Contractor shall notify KMC promptly of any loss, sanction, suspension or material limitations of any Group Physician’s license to practice in the state of California, Controlled Substance Registration Certificate issued by the Drug Enforcement Administration, right to participate in the Medicare or Medicaid programs, or specialty qualifications for medical staff membership or clinical privileges.

2.9 Standards of Medical Practice. The standards of medical practice and professional duties of all Group Physicians providing services under this Agreement shall be in accordance with the KMC Medical Staff Bylaws, Rules, Regulations, and policies, the standards for practice 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.

2.10 Medical Record Documentation. Contractor shall cause a complete medical record to be timely prepared and maintained for each patient seen by a Group Physician providing services under this Agreement. 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 Group Physicians will 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.

2.11 Quality Improvement and Risk Management. Contractor agrees that all Group Physicians shall participate in (i) the quality improvement and risk management programs of KMC and serve on such committees as may be required; (ii) ongoing quality improvement activities, such as audits, which will be conducted annually in the Department in order to evaluate and enhance the quality of patient care; and (iii) risk management activities designed to identify, evaluate and reduce the risk of patient injury associated with care. At a minimum, Contractor shall ensure that the quality improvement program consists of the following integrated components: (i) professional development that provides continuous performance feedback that is benchmarked, evaluated, and rated individually and collectively; (ii) clinical standards that are evidence-based and grounded in industry best practices; (iii) performance improvement that is outcomes-focused and based on quality indicators/metrics with quarterly reporting of same; and (iv) customer satisfaction that is feedback/survey-driven and objectively and comparatively measured, tracked/trended, and analyzed. The appropriate review mechanism will be applied in accordance with the provisions of the KMC Medical Staff Bylaws, The Joint Commission, and applicable law.

2.12 Taxes. Contractor agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Contractor agrees to indemnify and hold Authority harmless from any liability which it may incur to the United States or to the state of California as a consequence of Contractor's failure to pay, when due, all such taxes and obligations. In case Authority is audited for compliance regarding any withholding or other applicable taxes, Contractor agrees to furnish Authority with proof of payment of taxes on these earnings.

2.13 Nonexclusive Services. Contractor understands and agrees that Authority will utilize the services of Contractor pursuant to the terms of this Agreement on a non-exclusive basis. Contractor further agrees that Authority shall retain the option to enter into agreements with other organizations for purposes of securing the services, in its sole discretion.

### 3. Obligations of Authority.

3.1 Authority Designee. Authority shall designate a primary contact, who will arrange for KMC staff assistance as may be required.

3.2 Space. KMC shall furnish for the use of Contractor and Group Physicians such space and facilities as may be deemed necessary by KMC for the proper operation and conduct of the Department. KMC shall, in its sole discretion, determine the amount and type of space and facilities to be provided herein. Contractor shall use the space and equipment solely for the performance of the services required under this Agreement. Neither Contractor nor Group Physicians shall use such space or equipment for other business or personal use.

3.3 Use Limitations on Space. The use of any part of the space occupied by the Department for the general or private practice of medicine is prohibited. Contractor and Group Physicians shall use the items furnished under this Agreement only for the performance of services required by this Agreement. This Agreement shall not be construed to be a lease to

Contractor or any Group Physician of any portion of the Premises, and insofar as Contractor or Group Physicians may use a portion of said Premises, Contractor and Group Physicians do so as licensees only, and Authority and KMC shall, at all times, have full and free access to the same.

3.4 Equipment. KMC shall furnish for the use of the Department such equipment as is deemed necessary by KMC for the proper operation and conduct of the Department consistent with community standards. KMC shall keep and maintain this equipment in good order and repair and replace such equipment, as is reasonably necessary and subject to the usual purchasing practices of Authority and KMC and budget constraints.

3.5 Services and Supplies. KMC shall provide or arrange for the provision of janitorial services, housekeeping services, laundry and utilities, together with such other hospital services, including medical records, administrative and engineering services, and expendable supplies, as KMC deems necessary for the proper operation and conduct of the Department.

3.6 Control Retained in KMC. In compliance with title 22, California Code of Regulations, section 70713 KMC will retain professional and administrative responsibility for services rendered under this Agreement. Contractor shall apprise KMC of recommendations, plans for implementation and continuing assessment through dated and signed reports, which shall be retained by KMC for follow-up action and evaluation of performance.

#### 4. Payment for Services.

4.1 Compensation. As consideration for the services provided by Contractor hereunder, Authority will pay Contractor in accordance with the fee schedule set forth in this paragraph 4.1. All services are payable in arrears.

4.1.1 Coverage.<sup>1</sup> Authority shall pay Contractor a per diem rate in the amount of \$2,307.69 per day for ophthalmology coverage.

4.1.2 Trauma Call Coverage. Authority shall pay Contractor a monthly fee not to exceed \$36,000 per year at the rate of \$3,000 per month for trauma call coverage.

4.1.3 Diabetic Eye Exams.<sup>2</sup> Authority shall pay Contractor a fixed fee of \$10 for each diabetic eye exam interpreted by Contractor.

4.1.4 Medical Director Stipend. Authority shall pay Contractor an annual fee not to exceed \$36,000 per year at the rate of \$3,000 per month for services as Medical Director, Ophthalmology Services.

4.1.5 Ancillary Staff Support. Authority shall pay Contractor an hourly rate of \$38.75 not to exceed \$20,000 per year for coverage provided by an ophthalmic surgical technician during surgical procedures performed in the Kern Medical Surgery Center operating room.

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<sup>1</sup> Excludes diabetic eye exams.

<sup>2</sup> Includes one or both eyes.

4.1.6 Training. Authority shall pay Contractor a per diem rate of \$500 per day not to exceed \$7,500 for adequate in-service training and education to appropriate personnel that includes no fewer than eight (8) hours per day over a period not to exceed three (3) weeks.

4.1.7 Compensation All-inclusive. The compensation paid to Contractor are inclusive of all expenses, including without limitation, lodging, mileage reimbursement, care rental, meals and incidental expenses. Except as expressly stated herein, neither Contractor nor Group Physicians shall receive benefits from Authority or KMC, including without limitation, health benefits, sick leave, vacation, holidays, deferred compensation or retirement.

4.1.8 Fair Market Value Compensation. The compensation provided under section 4.1 represents the parties' good faith determination of the reasonable fair market value compensation for the services to be provided by Contractor under this Agreement.

4.2 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed \$2,400,000 over the three (3) year term of this Agreement.

4.3 Invoices. Invoices for payment shall be submitted in a form approved by KMC and list each service performed. Invoices and receipts shall be sent to KMC for review and processing within sixty (60) days of the date of service or payment will not be made. Payment shall be made to Contractor within thirty (30) days of receipt and approval of each invoice by KMC.

4.4 Taxpayer Identification. To ensure compensation is reported as paid to the proper party, Contractor will complete and execute IRS Form W-9 (Exhibit "B," attached hereto and incorporated herein by this reference), which identifies the taxpayer identification number for Contractor.

4.5 Professional Fee Billing. KMC shall have the exclusive right to set, bill, collect and retain all fees, including professional fees, for all direct patient care services provided by Contractor and Group Physicians to KMC patients at KMC or a KMC location during the term of this Agreement. All professional fees generated by Contractor or Group Physicians for services rendered to KMC patients at KMC or a KMC location during the term of this Agreement, including both cash collections and accounts receivable, will be the sole and exclusive property of KMC, whether received by KMC or by Contractor or a Group Physician and whether received during the term of this Agreement or anytime thereafter. Contractor and Group Physicians hereby assign 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.

4.6 Managed Care Contracting. Contractor shall cooperate, and shall ensure that Group Physicians 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 Authority or KMC to participate in any third-party payer arrangements, Contractor and/or Group Physicians shall, upon request: (i) enroll as a provider (if required by the third-party payer), separate from Authority and KMC, with any third-party payer or intermediate organization (including any independent practice association) (each, a “Managed Care Organization”) designated by Authority or 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.

5. **Access to Books and Records.** Contractor shall make available, upon written request from Authority or KMC, the Secretary of Health and Human Services, the Comptroller General of the United States, or any other duly authorized agent or representative, this Agreement, and Contractor’s books, documents and records. Contractor shall preserve and make available such books, documents and records for a period of seven (7) years after the termination or expiration of this Agreement. If Contractor is requested to disclose books, documents or records pursuant to this section for any purpose, Contractor shall notify KMC of the nature and scope of the request, and Contractor shall make available, upon written request of KMC, all such books, documents or records.

6. **Anti-referral Laws.** Contractor acknowledges that it is subject to certain federal and state laws governing the referral of patients, which are in effect during the term of this Agreement. These laws include (i) prohibitions on payments for referral or to induce the referral of patients, and (ii) the referral of patients by a physician for certain designated health care services to an entity with which the physician (or his or her immediate family) has a financial relationship (Cal. Business and Professions Code sections 650 et seq.; Cal. Labor Code sections 139.3 and 139.31; section 1128B (b) of the Social Security Act; and section 1877 of the Social Security Act). The parties expressly agree that nothing contained in this Agreement shall require either the referral of any patients to, or order of any goods or services from Contractor or KMC. Notwithstanding any unanticipated effect of any provision of this Agreement, neither party shall knowingly or intentionally conduct itself in such a manner as to violate the prohibition against fraud and abuse in connection with the Medicare and Medicaid programs (42 U.S.C. section 1320a-7b).

7. **Assignment.** Contractor shall not assign, delegate, sublet, or transfer any interest in or duty under this Agreement. Contractor shall not assign any money due or which becomes due to Contractor under this Agreement without the prior written approval of Authority.

8. **Audits, Inspection and Retention of Records.** Contractor agrees to maintain and make available to Authority accurate books and records relative to all its activities under this Agreement. Contractor shall permit Authority to audit, examine and make excerpts and transcripts from such records, and to conduct audits or reviews of all invoices, materials, records or personnel or other data related to all other matters covered by this Agreement. Contractor

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 Agreement, 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 Agreement shall have the same rights conferred upon Authority herein.

9. **Authority to Incur Financial Obligation.** It is understood that neither Contractor nor any officer, agent, employee, servant or subcontractor of Contractor, in the performance of any and all duties under this Agreement, has the right, power or authority to bind Authority to any agreements or undertakings.

10. **Captions.** The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

11. **Change in Law.** In the event that a change in state or federal law or regulatory requirement (or the application thereof), any of which renders this Agreement illegal, impossible to perform, or commercially impracticable, the parties agree to negotiate immediately, in good faith, any necessary or appropriate amendment(s) to the terms of this Agreement. If the parties fail to reach a mutually agreeable amendment within thirty (30) days of such negotiation period, this Agreement shall automatically terminate at the end of such thirty (30) day period.

12. **Choice of Law/Venue.** The parties hereto agree that the provisions of this Agreement will be construed pursuant to the laws of the state of California. It is expressly acknowledged that this Agreement has been entered into and will be performed within the County of Kern. Should any suit or action be commenced to enforce or interpret the terms of this Agreement or any claim arising under it, it is expressly agreed that proper venue shall be in County of Kern, state of California.

13. **Compliance with Law.** Contractor 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.

14. **Compliance Program.** Contractor acknowledges that KMC has implemented a compliance program for the purpose of ensuring adherence to applicable federal and state laws, regulations and other standards. Contractor agrees that in the course of performance of its duties described herein that it shall act, and cause its employees to act, in conformance with the policies set forth therein. KMC shall make available such information relating to its compliance program as is appropriate to assist Contractor in adhering to the policies set forth in the compliance program. Contractor and its employees shall participate in compliance training and education as reasonably requested by KMC.

15. **Confidentiality.**

15.1 **Use and Disclosure Restrictions.** Neither party shall, without the written consent of the other, communicate confidential information of the other, designated in writing or

identified in this Agreement as such, to any third party and shall protect such information from inadvertent disclosure to any third party in the same manner that the receiving party would protect its own confidential information. The foregoing obligations will not restrict either party from disclosing confidential information of the other party: (i) pursuant to applicable law; (ii) pursuant to the order or requirement of a court, administrative agency, or other governmental body, on condition that the party required to make such a disclosure gives reasonable written notice to the other party to contest such order or requirement; and (iii) on a confidential basis to its legal or financial advisors.

15.2 Trade Secrets. The parties acknowledge that each party, in connection with its business, has developed certain operating manuals, symbols, trademarks, trade names, service marks, designs, patient lists, procedures, processes, and other copyrighted, patented, trademarked, or legally protectable information which is confidential and proprietary to the party that constitute its trade secrets. The parties shall not use any name, symbol, mark, or other proprietary information of the other party except as expressly permitted.

15.3 Medical Records. The parties agree to maintain the confidentiality of all medical records pertaining to the provision of services under this Agreement in accordance with applicable federal and state laws and regulations including, but not limited to, the California Confidentiality of Medical Records Information Act, codified at section 56.1 of the California Civil Code, California Evidence Code sections 1156 and 1157, and the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations.

15.4 Medical Staff and Committee Records. All records, files, proceedings and related information of Group Physicians, KMC and the medical staff and its committees pertaining to the evaluation and improvements of the quality of patient care at KMC shall be kept strictly confidential by Contractor and Group Physicians. Neither Contractor nor Group Physicians shall voluntarily disclose such confidential information, either orally or in writing, except as expressly required by law or pursuant to written authorization by KMC, which may be given or withheld in the sole discretion of KMC.

15.5 Ownership of Records. All documents, papers, notes, memoranda, computer files and other written or electronic records of any kind ("Documents"), in whatever form or format, assembled, prepared or utilized by Contractor or Group Physicians during and in connection with this Agreement shall remain the property of Authority at all times. Upon the expiration or termination of this Agreement, Contractor shall promptly deliver to Authority all such Documents, which have not already been provided to Authority in such form or format, as Authority deems appropriate. Such Documents shall be and will remain the property of Authority without restriction or limitation. Contractor may retain copies of the above-described Documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of Authority.

15.6 Non-disparagement. Each party agrees that it shall not make or cause to be made, any written (including, but not limited to, any emails, internet postings, remarks or statements) or verbal assertions, statements or other communications regarding the other party's business or

each other which may be in any manner whatsoever defamatory, detrimental or unfavorable to such other party. Each party agrees that these non-disparagement covenants shall survive the termination of this Agreement.

16. **Conflict of Interest.** Contractor covenants that it has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Contractor further covenants that in the performance of this Agreement no person having any such interests shall be employed. 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.

17. **Consent.** Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

18. **Construction.** To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Contractor and Authority acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Contractor and Authority acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

19. **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.

20. **Disqualified Persons.** 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 programs 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”) or the Government Services Administration (“GSA”); (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 subcontracts or from receiving federal financial and nonfinancial assistance and benefits. This shall be an ongoing 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. Any breach of this section shall give the non-breaching party the right to terminate this Agreement immediately upon written notice.



21. **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.
22. **Immigration Compliance.** Contractor shall comply with all provisions of immigration law with respect to hiring, recruiting or referring for employment persons whose authorization for employment in the United States has been verified, and shall provide KMC with a copy of such verification required in 8 USCA section 1324a. Contractor agrees to indemnify, defend, and hold harmless Authority, its agents, officers, and employees, from any liability, damages, or causes of action arising out of Contractor's failure to comply with this section 22.
23. **Indemnification and Hold Harmless.** Authority shall assume liability for and indemnify and hold Contractor and Group Physicians harmless from any and all claims, losses, expenses, costs, actions, settlements, attorneys' fees and judgments incurred by Contractor or Group Physicians or for which Contractor or Group Physicians becomes liable, arising out of or related to professional services rendered or which a third party alleges should have been rendered by Contractor or Group Physicians pursuant to this Agreement. Authority's obligation under this paragraph shall extend from the Effective Date and shall survive termination or expiration of this Agreement to include all claims that allegedly arise out of professional services Contractor or Group Physicians 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 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 Contractor or Group Physicians harmless for any conduct or misconduct found to be intentional, willful, grossly negligent, or criminal.
24. **Independent Contractor.** In the performance of the services under this Agreement, Contractor shall be, and acknowledges that Contractor is in fact and law, an independent contractor and not an agent or employee of Authority. Contractor has and retains the right to exercise full supervision and control over the manner and methods of providing services to Authority under this Agreement. Contractor retains full supervision and control over the employment, direction, compensation and discharge of all persons assisting Contractor in the provision of services under this Agreement. With respect to Contractor's employees, if any, Contractor 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 employment taxes whether federal, state or local, and compliance with any and all other laws regulating employment.
25. **Informal Dispute Resolution.** Controversies between the parties with respect to this Agreement, or the rights of either party, or with respect to any transaction contemplated by this Agreement, shall be resolved, to the extent possible, by informal meetings and discussions among appropriate representatives of the parties.

26. **Insurance.** With respect to performance of work under this Agreement, Contractor 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.
27. **Modifications of Agreement.** This Agreement may be modified in writing only, signed by the parties in interest at the time of the modification.
28. **No Third Party Beneficiaries.** It is expressly understood and agreed that the enforcement of this Agreement and all rights of action relating to such enforcement, shall be strictly reserved to Authority and Contractor. Nothing contained in this Agreement shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of Authority and Contractor that any such person or entity, other than Authority or Contractor, receiving services or benefits under this Agreement shall be deemed an incidental beneficiary only.
29. **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 Contractor, 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. Contractor will be given thirty (30) days’ prior written notice in the event that Authority requires such an action.
30. **Non-collusion Covenant.** Contractor 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 Agreement with Authority. Contractor has received from Authority no incentive or special payments, nor considerations, not related to the provision of services under this Agreement.
31. **Nondiscrimination.** Neither Contractor, nor any officer, agent, employee, servant or subcontractor of Contractor shall discriminate in the treatment or employment of any individual or groups of individuals on the grounds of race, color, ancestry, national origin, religion, sex, actual or perceived sexual orientation, marital status, age, pregnancy, medical condition, handicap or other prohibited basis, either directly, indirectly or through contractual or other arrangements.
32. **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 Contractor. 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.
33. **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 Contractor:

Sandeep S. Walia, M.D.,  
A Professional Medical Corporation  
215 China Grade Loop  
Bakersfield, California 93308  
Attn.: Its President

Notice to Authority:

Kern Medical Center  
1700 Mount Vernon Avenue  
Bakersfield, California 93306  
Attn.: Chief Executive Officer

34. **Signature Authority.** Each party represents that they have full power and authority to enter into and perform this Agreement, and the person(s) 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 all exhibits hereto, 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.

36. **Termination.**

36.1 **Termination without Cause.** Either party may terminate this Agreement, without cause, upon thirty (30) days' prior written notice to the other party.

36.2 **Immediate Termination.** Authority shall have the right to terminate this Agreement at any time upon the occurrence of any one or more of the following events:

- A) Breach of this Agreement by Contractor where such breach is not cured within thirty (30) calendar days after Authority gives written notice of such breach to Contractor;
- B) Authority ceases operations;
- C) Contractor is unable to obtain or maintain sufficient insurance, as required under this Agreement, for any reason;
- D) Contractor makes an assignment for the benefit of creditors, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, dissolution, liquidation or other similar law of any jurisdiction;
- E) Contractor is rendered unable to comply with the terms of this Agreement for any reason;

- F) Contractor engages in conduct that, in Authority's good faith determination, jeopardizes the mental or physical health, safety or well-being of any person or damages the reputation of Authority or KMC;
- G) Within a twelve (12) month period, Contractor has two (2) or more medical malpractice claims filed against him or her, or he or she becomes the subject of two (2) or more adverse proceedings by the Medical Staff regarding the performance of professional medical services;
- H) Any legislation, regulation, rule or procedure passed, adopted or implemented by any federal, state or local government or legislative body, or any notice of a decision, finding, interpretation or action by any governmental, court or other third party which, in the opinion of Authority, if or when implemented, would result in the arrangement between the parties under this Agreement to subject Authority or any of its employees or agents, to civil or criminal prosecution or monetary penalties on the basis of their participation in executing this Agreement or performing their respective obligations under this Agreement;
- I) Violation of any federal or state law or regulatory rule or regulation or condition of accreditation or certification to which Authority or KMC is subject;
- J) Contractor makes an unauthorized use or disclosure of confidential or proprietary information by Contractor which causes material harm to Authority or KMC;
- K) Commission of a material act involving moral turpitude, fraud, dishonesty, embezzlement, misappropriation or financial dishonesty by Contractor against Authority or KMC; or
- L) The loss or threatened loss of KMC's ability to participate in any federal or state health care program, including Medicare or Medi-Cal, due to the actions of Contractor.

37. **Effect of Termination.**

37.1 **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 Contractor after the effective date of the termination, and Contractor shall be entitled to receive compensation for services satisfactorily rendered, calculated on a prorated basis up to the effective date of termination.

37.2 **Vacate Premises.** Upon expiration or earlier termination of this Agreement, Contractor shall immediately vacate KMC, removing at such time any and all personal property

of Contractor. Authority may remove and store, at Contractor's expense, any personal property that Contractor has not so removed.

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

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

38. **Time of Essence.** Time is hereby expressly declared to be of the essence of this Agreement 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 Agreement.

39. **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.

SANDEEP S. WALIA, M.D.,  
A PROFESSIONAL MEDICAL CORPORATION

By \_\_\_\_\_  
Sandeep S. Walia, M.D.  
Its President

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

**EXHIBIT “A**  
**DESCRIPTION OF SERVICES**  
**Sandeep S. Walia, M.D.,**  
**A Professional Medical Corporation**

Contractor shall provide services, as assigned by the Department Chair, as follows:

**1. Director of Ophthalmology**

Contractor shall serve as Director of Ophthalmology at KMC, overseeing the operation and coordination of all ophthalmology services provided within the hospital. Specific duties include:

- **Leadership and Oversight:** Contractor will provide leadership and strategic direction to the ophthalmology service, ensuring adherence to best practices, hospital policies, and regulatory standards.
- **Team Coordination:** Contractor will manage and oversee clinical and administrative staff, ensuring effective communication and collaboration within the service.
- **Quality Assurance and Compliance:** Contractor will monitor and evaluate the quality of care provided by the ophthalmology service and ensure compliance with relevant healthcare laws, regulations, and accreditation standards.
- **Collaboration with Hospital Leadership:** Contractor will regularly report to hospital administration on the status of ophthalmology services, including performance metrics, challenges, and opportunities for improvement.
- **Strategic Development:** Contractor will work to develop and implement strategic plans to expand and enhance ophthalmology services within Kern Medical, ensuring services meet the growing needs of the community.

**2. Diabetic Retina Image Reads**

Contractor shall be responsible for performing or overseeing the interpretation of diabetic retina image reads. These image reads may involve the assessment of one or both eyes for diabetic retinopathy and other related conditions. Specific duties include:

- **Image Assessment:** Contractor will ensure that each image is accurately assessed for diabetic retinal conditions, documenting any findings that may require further treatment or intervention.
- **Collaboration with Other Healthcare Providers:** Contractor will collaborate with other healthcare professionals, including primary care providers and endocrinologists, to ensure that patients receive appropriate follow-up care based on the findings of the retinal assessments.
- **Timely Reporting:** Contractor will provide timely and clear reports on the results of the image assessments, ensuring that healthcare providers are informed promptly of any concerns or necessary interventions.

### 3. Comprehensive Clinical Services

Contractor shall provide a minimum of thirty-two (32) hours per week of clinical services in the ophthalmology clinic, excluding diabetic retina image reads. Of these thirty-two (32) hours, at least eight (8) hours per week will be provided by an ophthalmologist in either clinic or surgery. Specific duties include:

- **Patient Care:** Contractor will provide direct patient care, including performing comprehensive eye exams, diagnosing ocular conditions, and developing treatment plans.
- **Surgical Services:** Contractor will perform or oversee ophthalmic surgeries, ensuring that all surgical procedures are conducted in accordance with established protocols and best practices.
- **Supervision of Clinical Staff:** Contractor will provide supervision and guidance to residents, medical students and clinical staff, ensuring that patient care is delivered in accordance with the highest standards of medical practice.
- **Coordination of Care:** Contractor will coordinate care for patients who require multi-disciplinary involvement, ensuring seamless communication with other specialties, including endocrinology, neurology, and primary care, as needed.
- **Clinical Education:** Contractor will provide education and training to clinical staff, residents, and medical students on ophthalmology topics, ensuring that all team members are up to date with current best practices and innovations in the field.
- **Performance Improvement:** Contractor will participate in performance improvement activities, including the review of patient outcomes, identification of areas for improvement, and implementation of corrective actions.

### 4. Trauma Call Coverage

Contractor shall provide trauma call coverage, including the initial screening of calls related to ocular trauma, and will make appropriate referrals or provide guidance for further care. Specific duties will include:

- **Call Screening:** Contractor will respond to trauma calls to assess the severity of the patient's condition. Contractor will determine if the patient requires transfer to a higher level of care or if the condition can be stabilized for referral to an appropriate clinic.
- **Referral and Coordination:** If the patient's condition is stable, Contractor will refer the patient for follow-up care. Contractor will ensure that the patient is seen by the appropriate specialist in a timely manner.
- **Surgical Readiness:** Contractor will oversee the necessary preparations for future trauma cases that may require surgical intervention. This includes working toward the acquisition of necessary equipment for real-time surgical interventions as part of the trauma care model (if facility equipment can accommodate).



- **Collaboration with Emergency Services:** Contractor will work closely with emergency department personnel, ensuring that trauma cases are handled promptly and appropriately, including making referrals and follow-ups as needed.
5. **Ancillary Staffing (Ophthalmic Surgical Technician)**

Contractor shall oversee and provide ancillary staffing support through ophthalmic surgical technicians as required for ophthalmology procedures. Specific duties include:

- **Surgical Support:** Contractor will ensure that ophthalmic surgical technicians are available to assist during surgical procedures, ensuring that surgeries proceed smoothly and efficiently.
- **Training and Supervision:** Contractor will provide ongoing training and supervision for ophthalmic surgical technicians, ensuring they are adequately skilled in assisting with ophthalmic procedures.
- **Equipment Management:** Contractor will ensure that all necessary ophthalmic surgical equipment is properly maintained and available for use during procedures, in collaboration with the surgical support team.
- **Quality Control:** Contractor will monitor the performance of ophthalmic surgical technicians, ensuring they adhere to established protocols and standards of practice.

6. **Ancillary Staffing (Training of Clinic Staff)**

Contractor shall provide training for clinic staff, specifically related to ophthalmology procedures and best practices. Specific duties will include:

- **Training Development:** Contractor will develop curriculum and training materials to educate clinic staff effectively on ophthalmic procedures, equipment usage, and patient care protocols.
- **Hands-On Training:** Contractor will provide hands-on training, ensuring that clinic staff gains the skills necessary to assist with ophthalmic procedures and provide high-quality patient care.
- **Performance Evaluation:** Contractor will assess the progress of staff training, providing feedback and additional guidance as necessary to ensure all staff meets competency standards.

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**EXHIBIT “B”**

**IRS FORM W-9**

**[TO BE ATTACHED]**

## **EXHIBIT “C” INSURANCE**

With respect to performance of work under this Agreement, Contractor 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 Authority. Any requirement for insurance to be maintained after completion of the work shall survive the termination or expiration of this Agreement.

Authority 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 Contractor 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 Contractor has employees. If Contractor currently has no employees, Contractor’s written confirmation of such will be required before execution of this Agreement. If Contractor engages any employees during the term of this Agreement or any extensions thereof, Contractor 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 Authority for all work performed by Contractor, 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 Contractor maintains higher limits than the specified minimum limits, Authority requires and shall be entitled to coverage for the higher limits maintained by Contractor.
- (c) If Contractor 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 Authority. Contractor is responsible for any deductible or self-insured retention and shall fund it upon Authority's written request, regardless of whether Contractor has a claim against the insurance or is named as a party in any action involving Authority.
- (e) Authority shall be named as an additional insured for liability arising out of operations by or on behalf of Contractor in the performance of this Agreement. See section 5 below for full Additional Insured wording.
- (f) The insurance provided to Authority as an additional insured shall be primary to and non-contributory with any insurance or self-insurance program maintained by Authority.
- (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 Authority and Contractor 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 Contractor currently owns no autos, Contractor 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) Authority shall be named as an additional insured for liability arising out of operations by or on behalf of Contractor in the performance of this Agreement. See section 5 for full Additional Insured wording.
- (e) Required Evidence of Insurance: Certificate of Insurance.

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

5. 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.

6. 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, Contractor must purchase “extended reporting” coverage for a minimum of *five (5) years* after completion of the contract work.

7. Documentation:

- (a) The Certificate of Insurance must include the following reference: **“Agreement for Professional Services.”**
- (b) All required Evidence of Insurance shall be submitted prior to the execution of this Agreement. Contractor agrees to maintain current Evidence of Insurance on file with Authority for the entire term of this Agreement and any additional periods if specified in sections 1, 2 or 3 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 ten (10) days before expiration or other termination of the existing policy.
- (e) Contractor 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 Authority within thirty (30) days.

8. Policy Obligations: Contractor’s indemnity and other obligations shall not be limited by the foregoing insurance requirements.

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

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

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

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**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**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 April. 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**  
**August 20, 2025**

Agreement	Description
Change Healthcare	Service contract for Cardiology/PACS system agreement renews automatically. This amendment increases their annual rate by 3%. We are working through the negotiations.





**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**Subject:** Kern County Hospital Authority Chief Financial Officer Report – June 2025

**Recommended Action:** Receive and File

**Summary:**

**Kern Medical Operations:**

Kern Medical key performance indicators:

- Operating gain of \$704,634 for June is \$679,007 more than the June budget of \$26,437 and \$447,343 more than the \$257,291 average over the last three months
- EBIDA of \$2,302,025 for June is \$648,803 more than the June budget of \$1,653,222 and \$431,031 more than the \$1,870,994 average over the last three months
- Average Daily Census of 183 for June is 19 more than the June budget of 164 and 17 more than the 166 average over the last three months
- Admissions of 1,011 for June are 191 more than the June budget of 820 and 206 more than the 805 average over the last three months
- Total Surgeries of 579 for June are 106 more than the June budget of 473 and 28 more than the 551 average over the last three months
- Clinic Visits of 21,660 for June are 4,563 more than the June budget of 17,097 and 1,057 less than the 22,717 average over the last three months

**The following items have budget variances for the month of June 2025:**

**Patient Revenue:**

Gross patient revenue has an 11% favorable budget variance for the month and an 8% favorable budget variance on a year-to-date basis. The variance is mainly due to a 3.5% charge description master (CDM) price increase that became effective on July 1, 2024 and to a lesser extent, patient volumes. Kern Medical expects strong patient census levels and consistently high gross patient revenue for FY 2025.

**Indigent and Correctional Medicine Funding Revenue:**

Correctional Medicine has a favorable budget variance for the month due to an increase in reimbursement for services provided by Kern Medical. The increase in reimbursement is offset by additional costs to provide these services. On a year-to-date basis the Indigent Funding budget variance is favorable due to the recognition of additional revenue based on favorable changes in estimates for the Enhanced Payment Program (EPP) from increased payments by the California Department of Health Care Services (DHCS) recognizing cost increases and certain structural payment deficits for the state's designated public healthcare systems. The EPP program received an increase for calendar year (CY) 2024.

**Other Operating Revenue:**

Other operating revenue is under budget for the month due to a less than average amount of Proposition 56 funding received for the month. On a year-to-date basis, items such as medical education funding, other grant funding, and Proposition 56 funding 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 over budget for the month and under budget year-to-date. Revenue received for miscellaneous items such as providing out-of-network physician services is not received consistently throughout the year. Therefore, the actual dollar amount recorded for this line item may fluctuate versus budget on a monthly basis.

**Salaries Expense:**

Salaries expense is 4% over budget for the month and 3% over budget on a year-to-date basis.

**Benefits Expense:**

Benefits expense is 10% under budget for the month due to a year-to-date adjustment of pension expense. Benefits expense is 1% over budget on a year-to-date basis.

**Nurse Registry Expense:**

Nurse registry expense is 18% under budget for the month and 6% under budget on a year-to-date basis. The use of nurses under contract was reduced with the intent to hire more nurses as Kern Medical employees.

**Medical Fees:**

Medical fees are 16% over budget for the month and 12% over budget on a year-to-date basis because of higher-than-average monthly fees paid to the Acute Care Surgery Medical Group, the LocumTenens.com physician staffing agency, and various physicians. The Acute Care Surgery Medical Group has been engaged to support trauma services at Kern Medical since November 2018.

**Other Professional Fees:**

Other professional fees have an unfavorable budget variance for the month and on a year-to-date basis due to higher-than-average legal fees, physician recruiting expenses, and fees for various other consultants.

**Supplies Expense:**

Supplies expense is over budget for the month and year-to-date primarily due to higher-than-average patient volumes and corresponding increases in medical supplies and pharmaceuticals expenses.

**Purchased Services:**

Purchased services are over budget for the month and on a year-to-date basis because of higher-than-expected software maintenance costs, ambulance fees, out of network patient services expenses, Health Advocates patient financial counseling fees, and fees paid to Signature Performance, Inc. Signature Performance consultants are engaged to support patient health record coding.

**Other Expenses:**

Other expenses are over budget for the month and on a year-to-date basis due to higher-than-average advertising costs, electricity costs, and repairs and maintenance expenses.

**Interest Expense:**

Interest expense is over budget month-to-date and year-to-date due to higher than anticipated pension obligation bond (POB) interest. In addition, a change in the treatment of accounting for leases under GASB 87 was implemented in 2022 and 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. The decrease in lease expense under the other expenses section of the income statement is offset by increases in amortization expense and in interest expense.

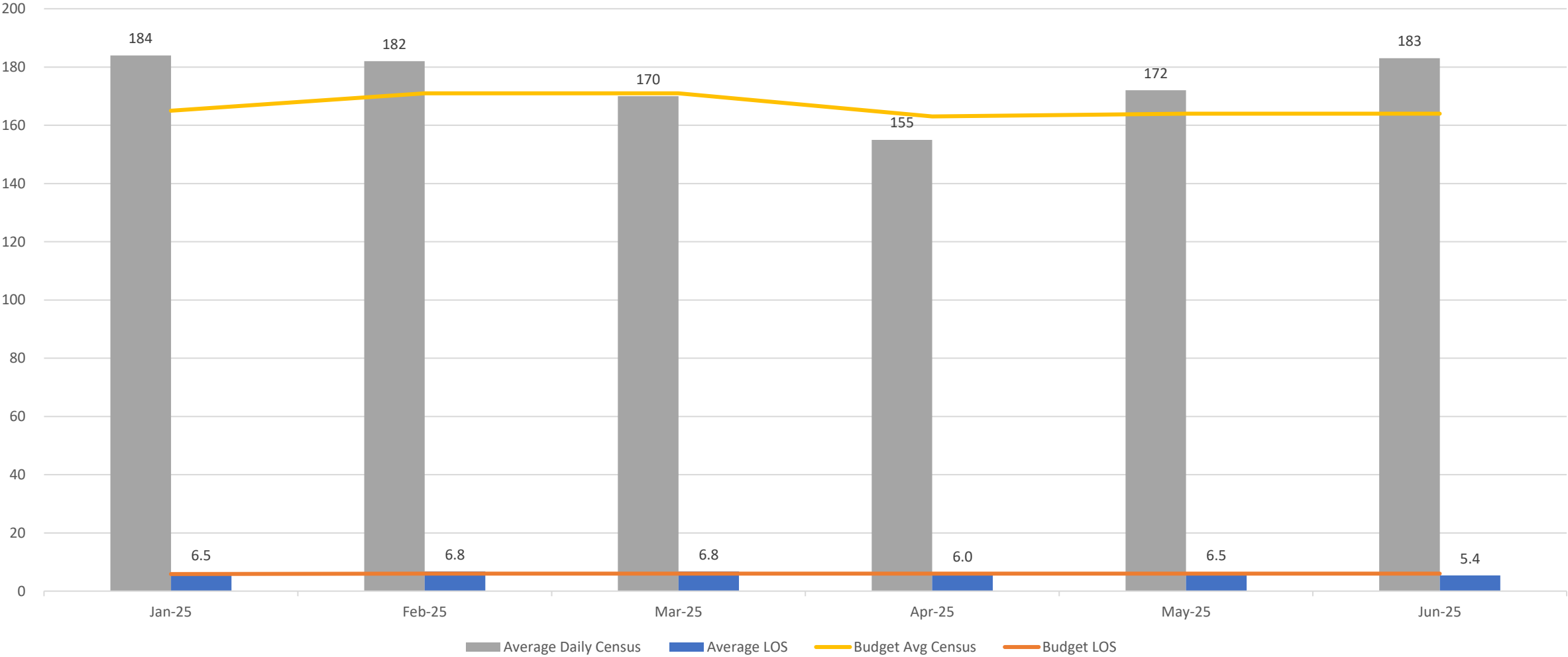
**Depreciation and Amortization Expense:**

Depreciation and amortization expenses are under budget for the month and on a year-to-date basis. The variance is due to the closure of purchase orders for equipment during previous months and the subsequent reduction in the depreciation accrual.

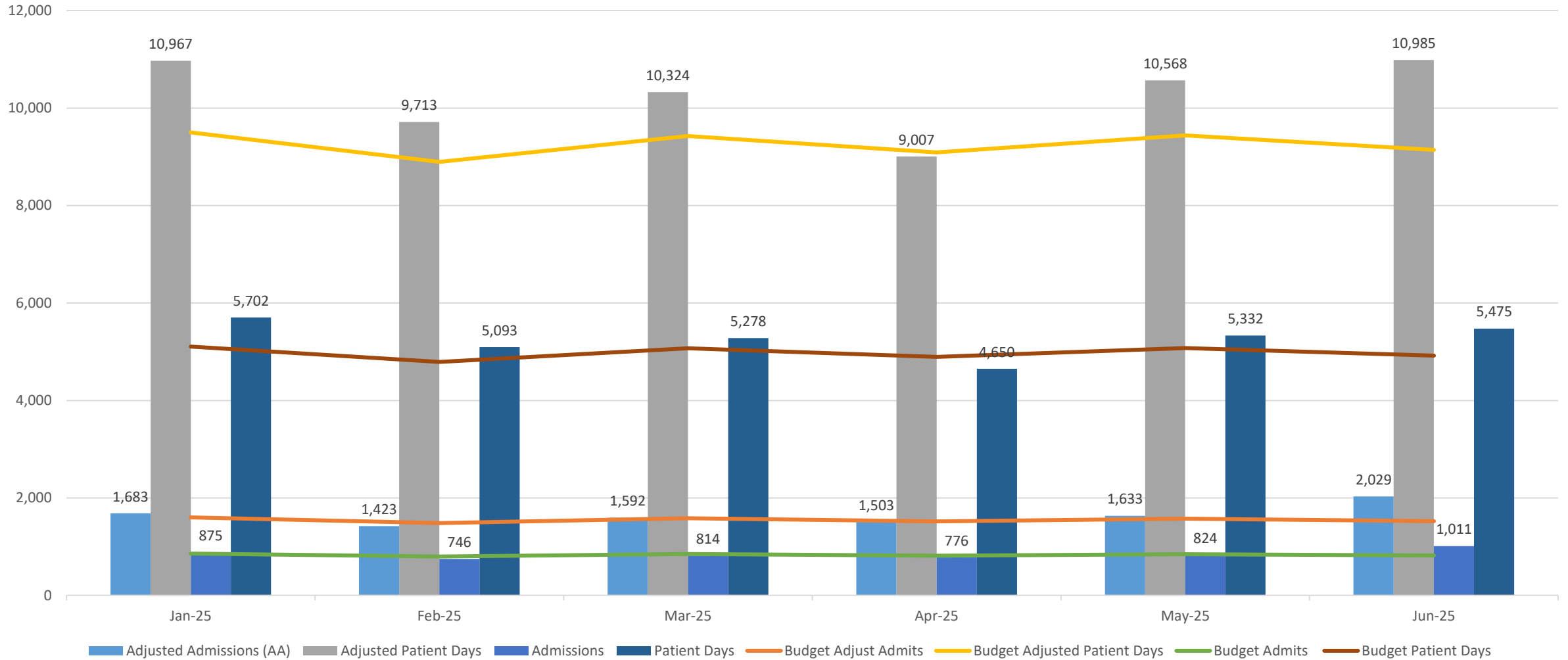


**Board of Governors' Report**  
Kern Medical – June 2025

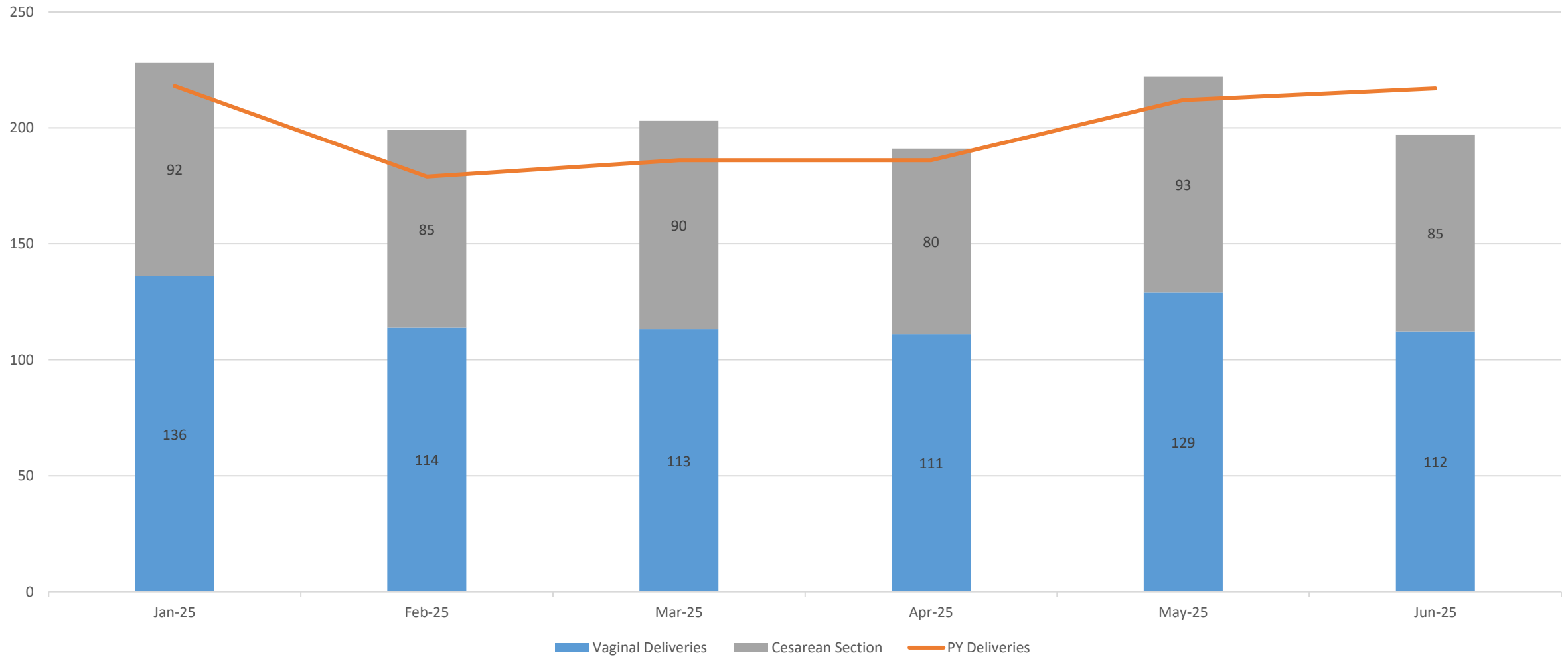
Census & ALOS



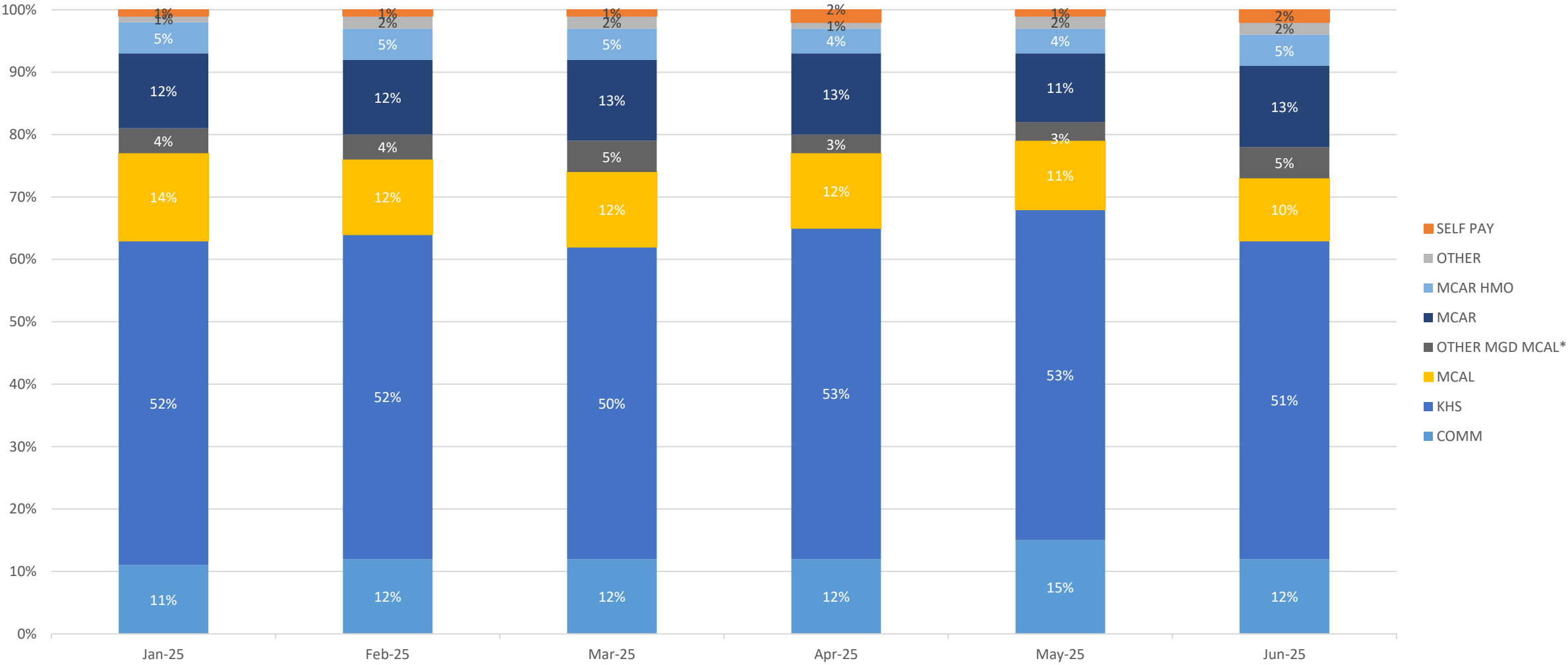
## Hospital Volumes



## Deliveries

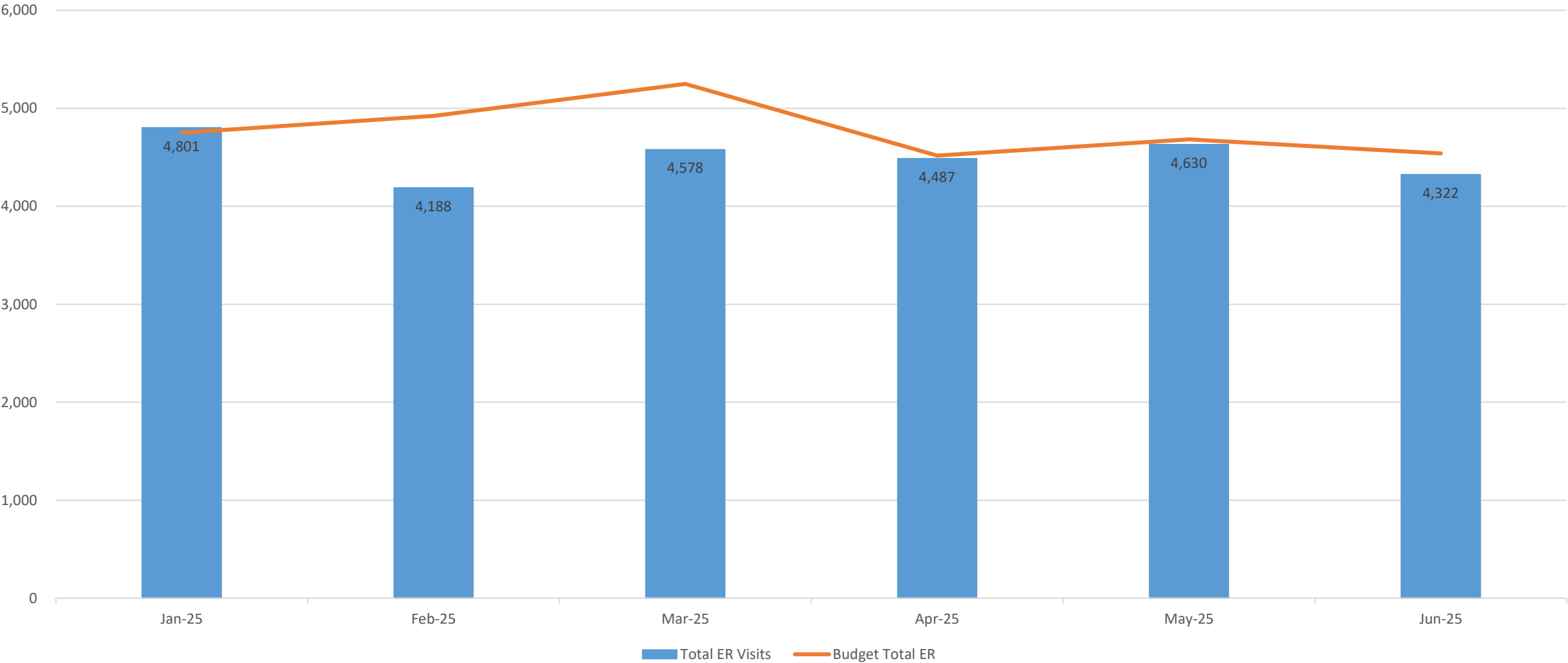


PAYER MIX

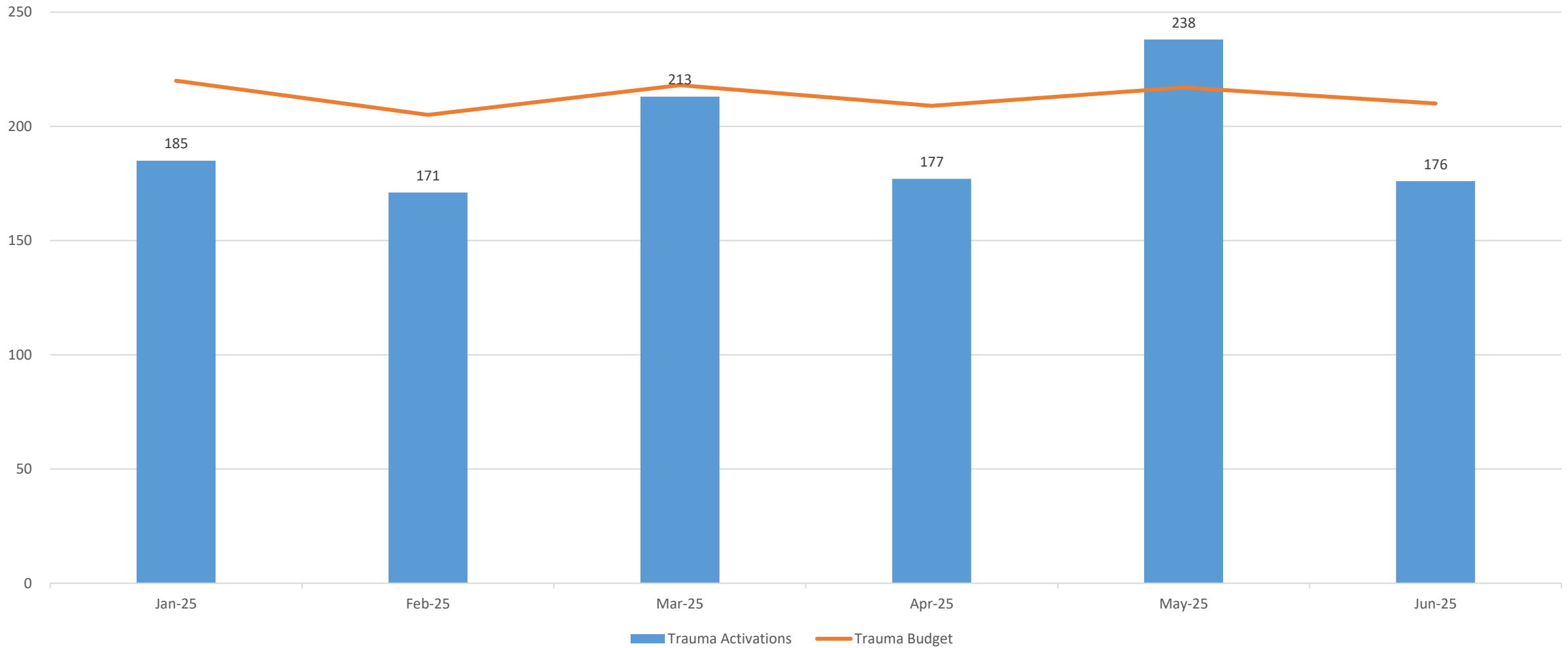




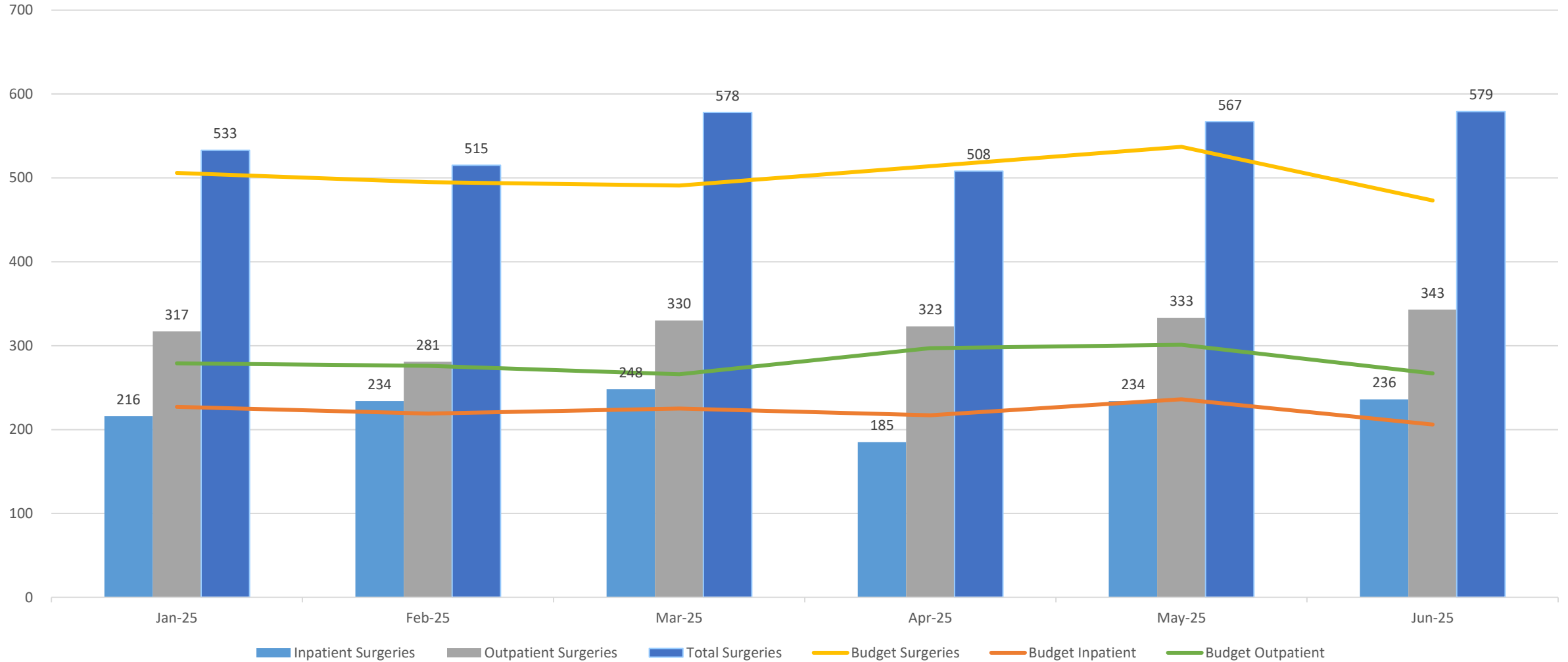
Emergency Room Volume



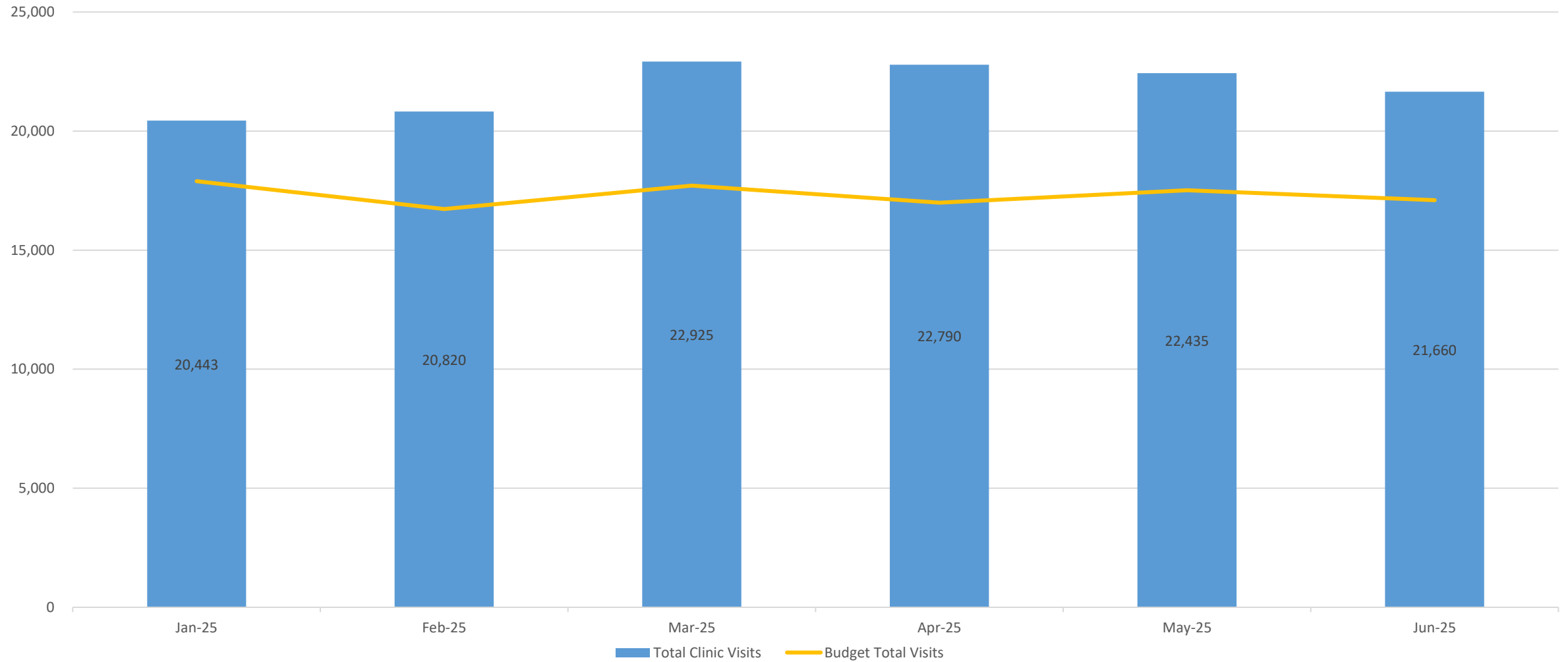
## Trauma Activations



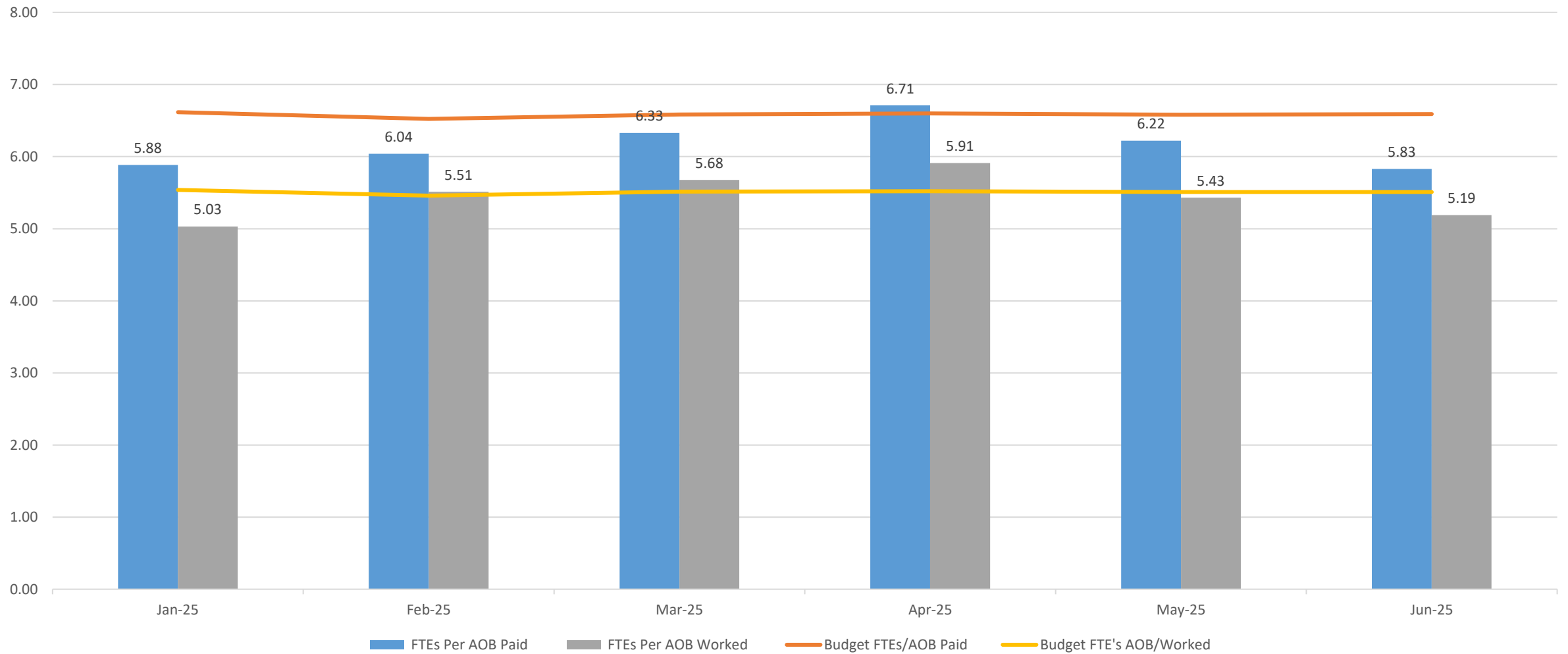
## Surgical Volume



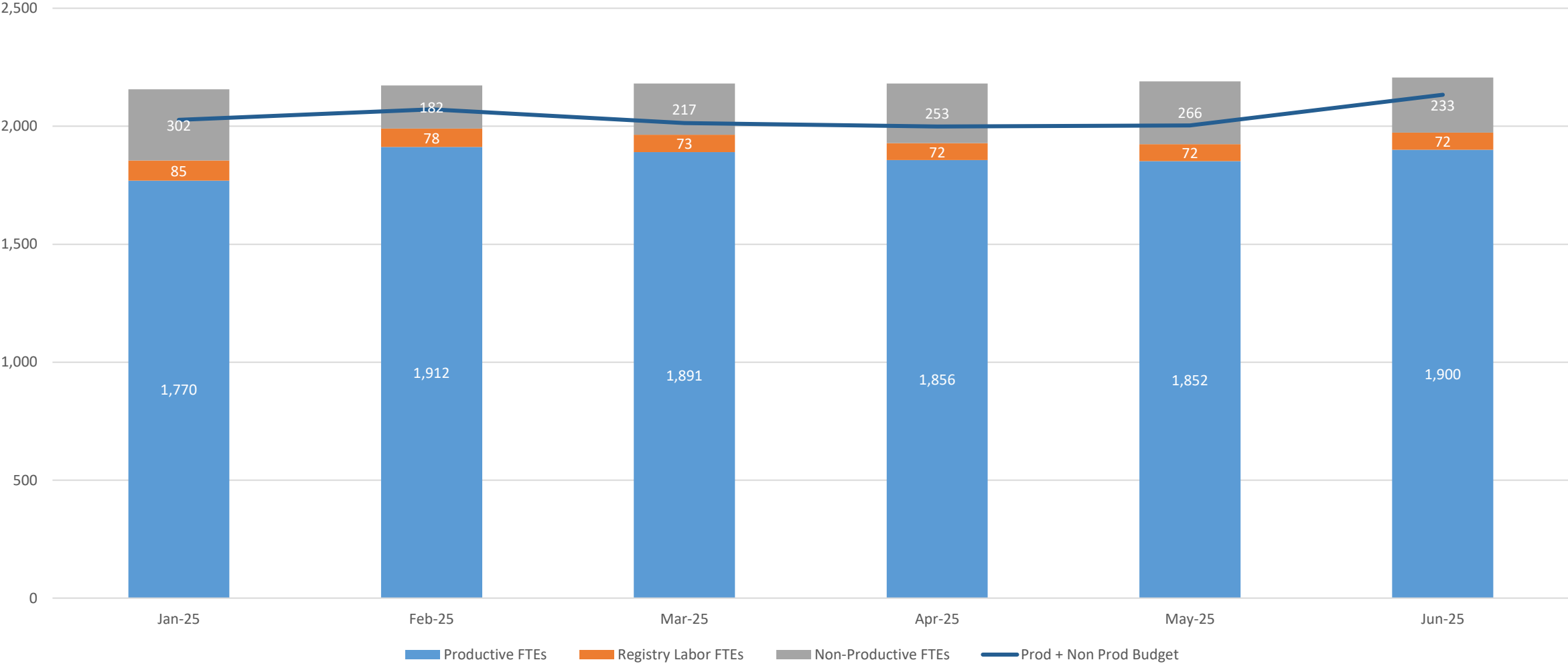
## Clinic Visits

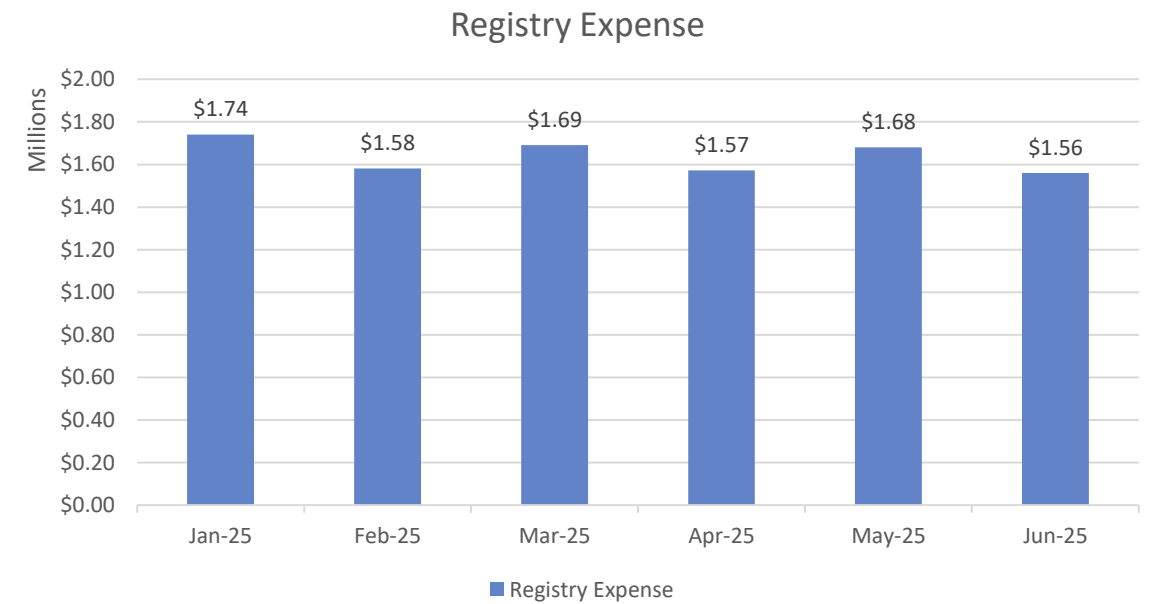
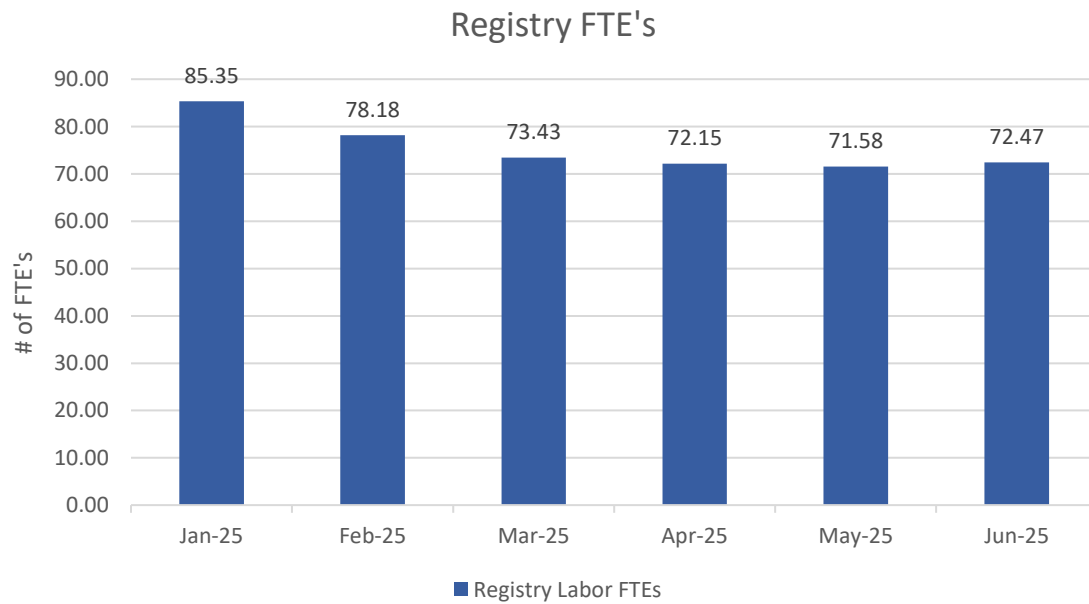


## Labor Metrics

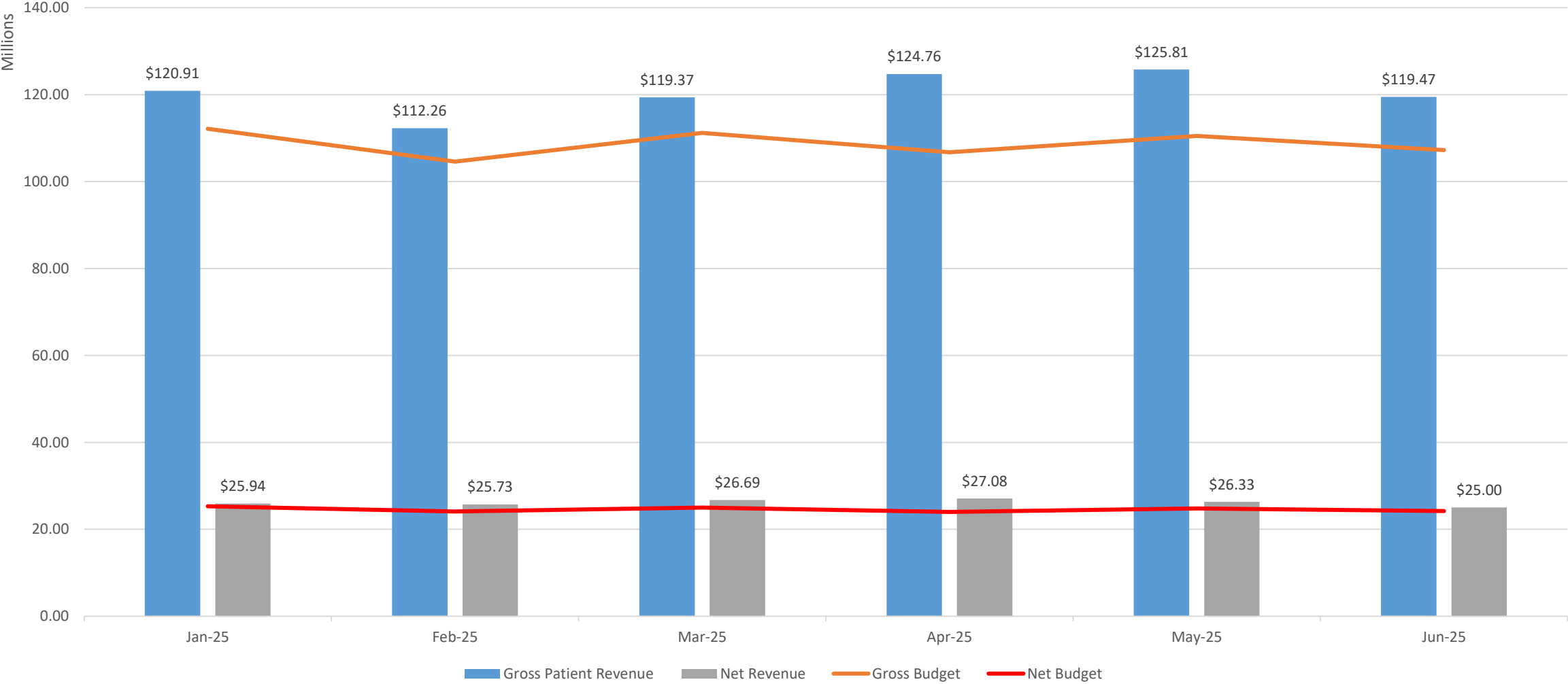


Productivity



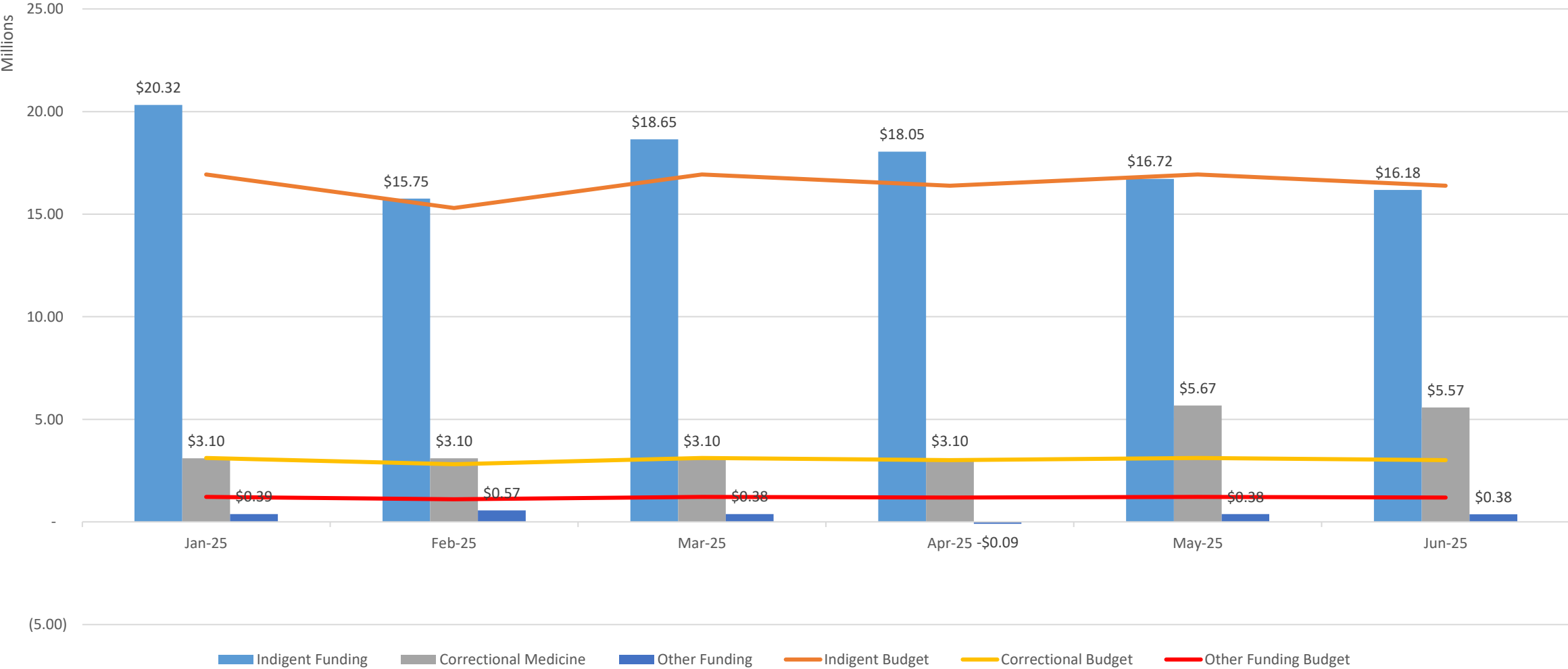


Patient Revenue

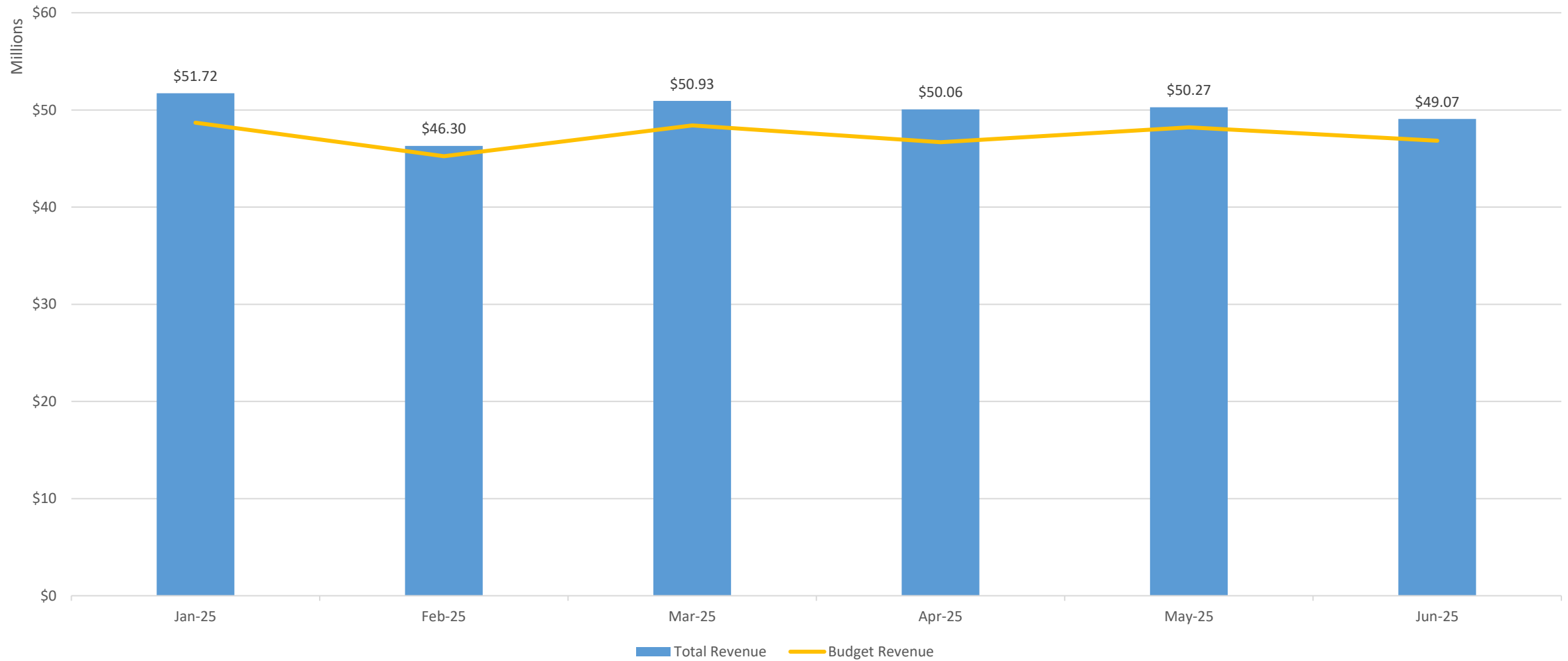




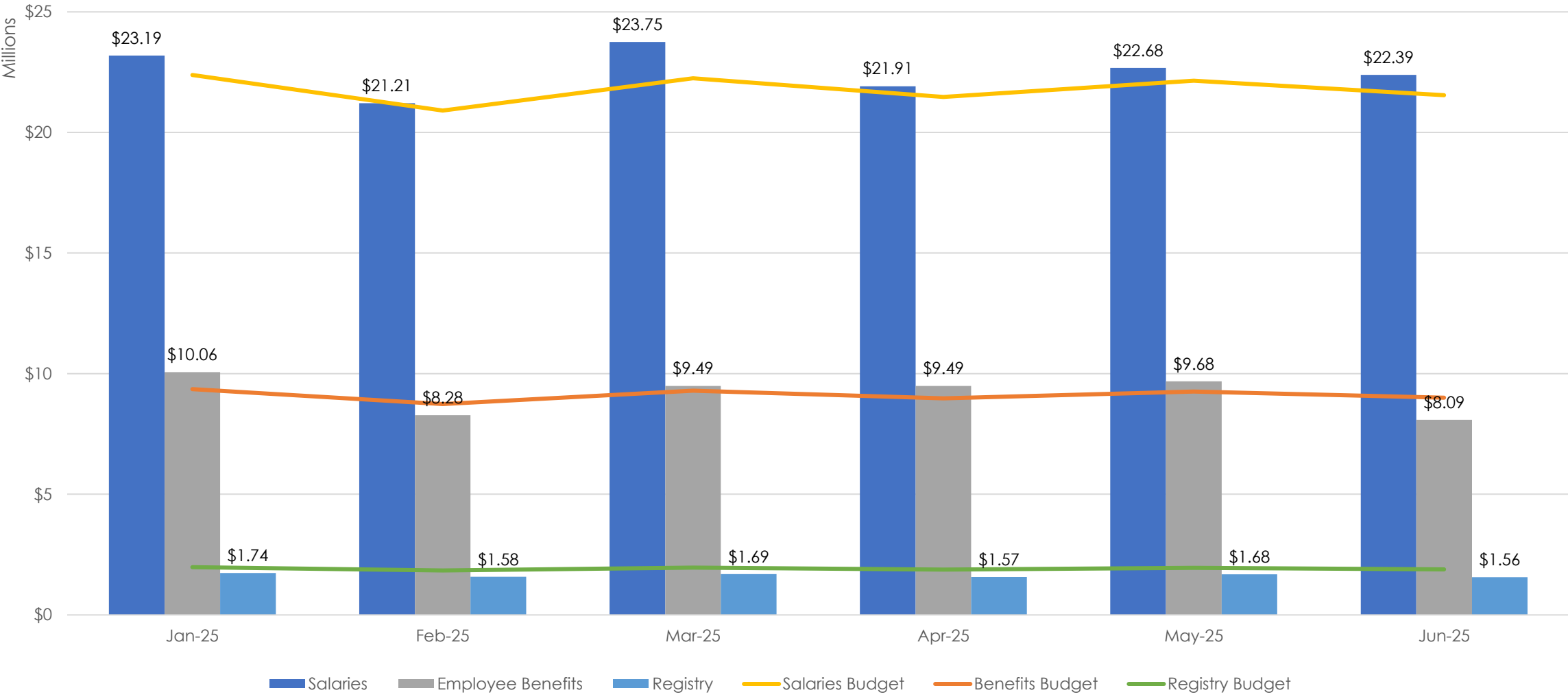
Indigent & Correctional Revenue



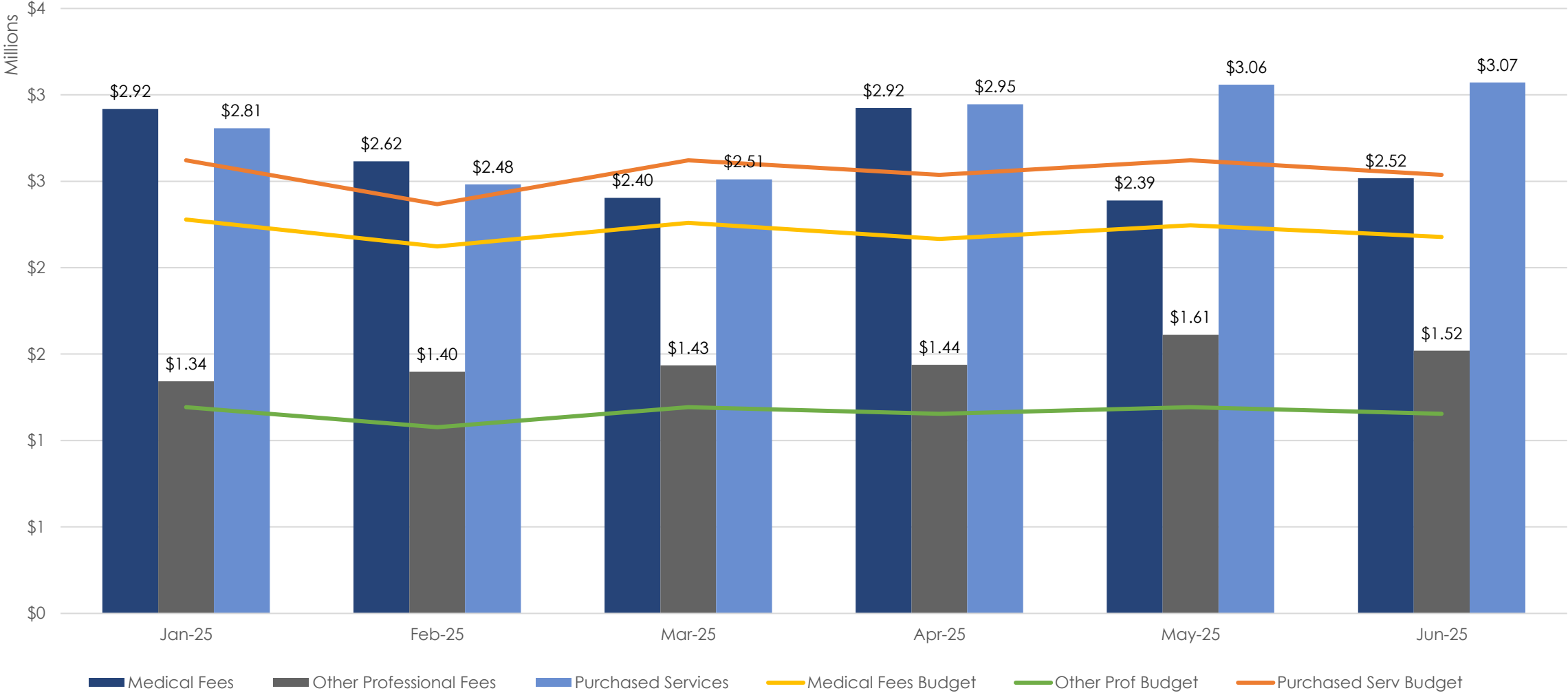
## Total Revenue



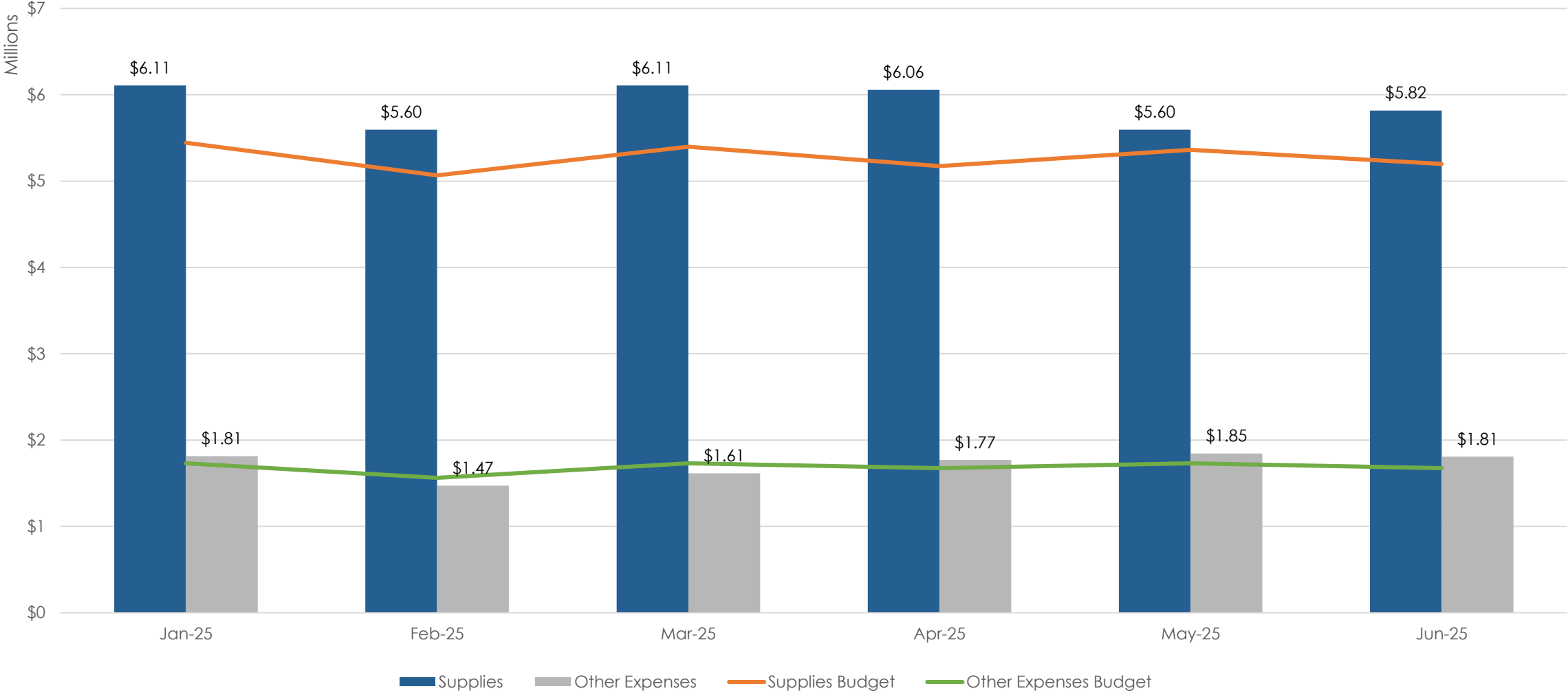
Expenses



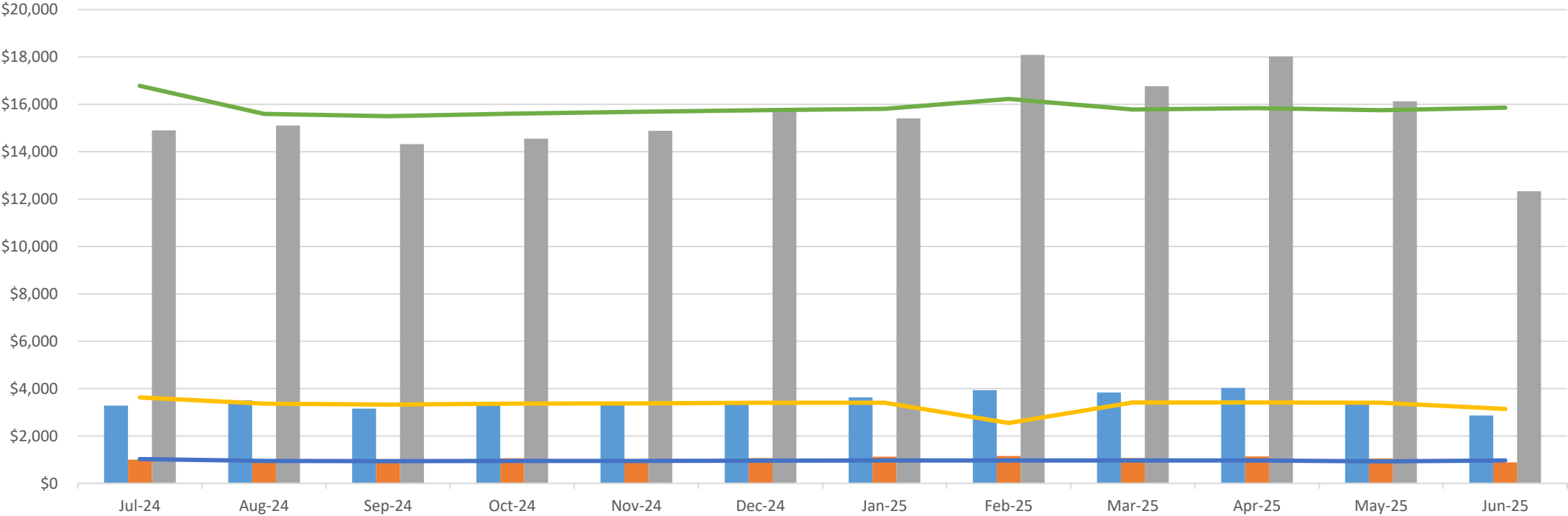
Expenses



Expenses

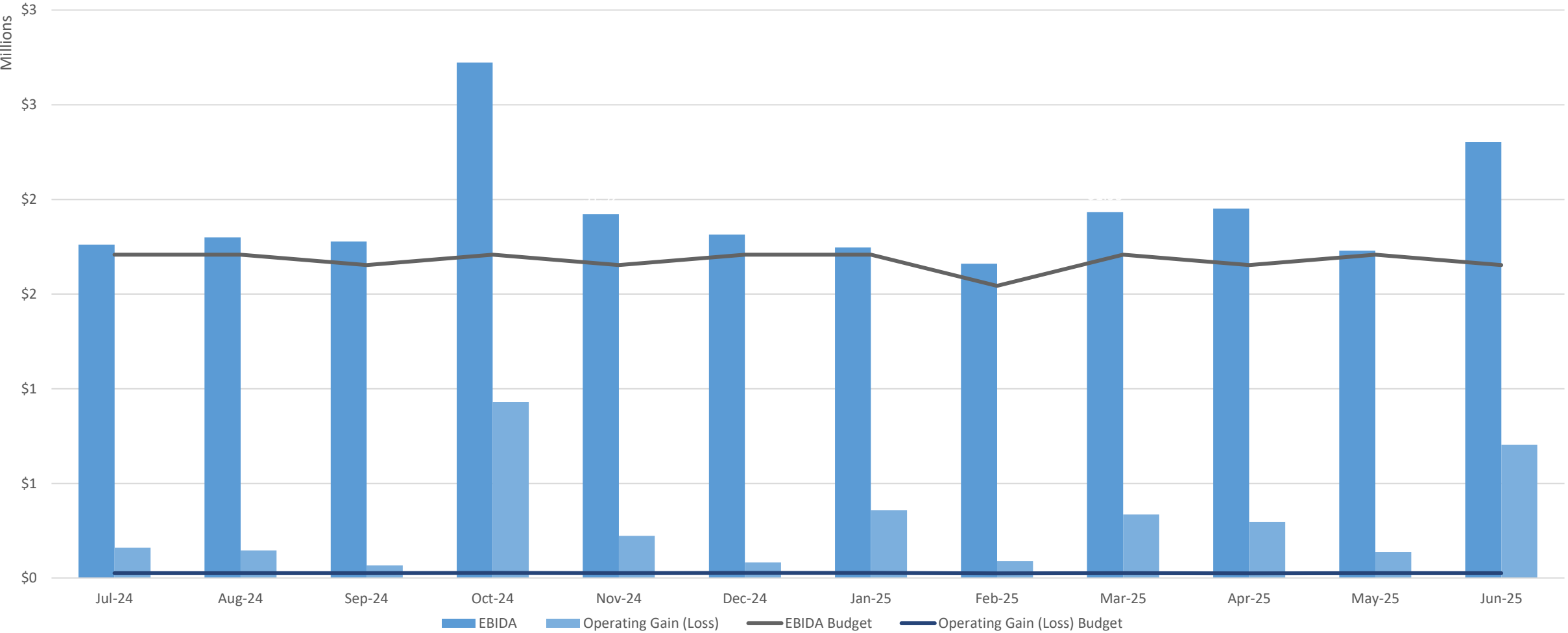


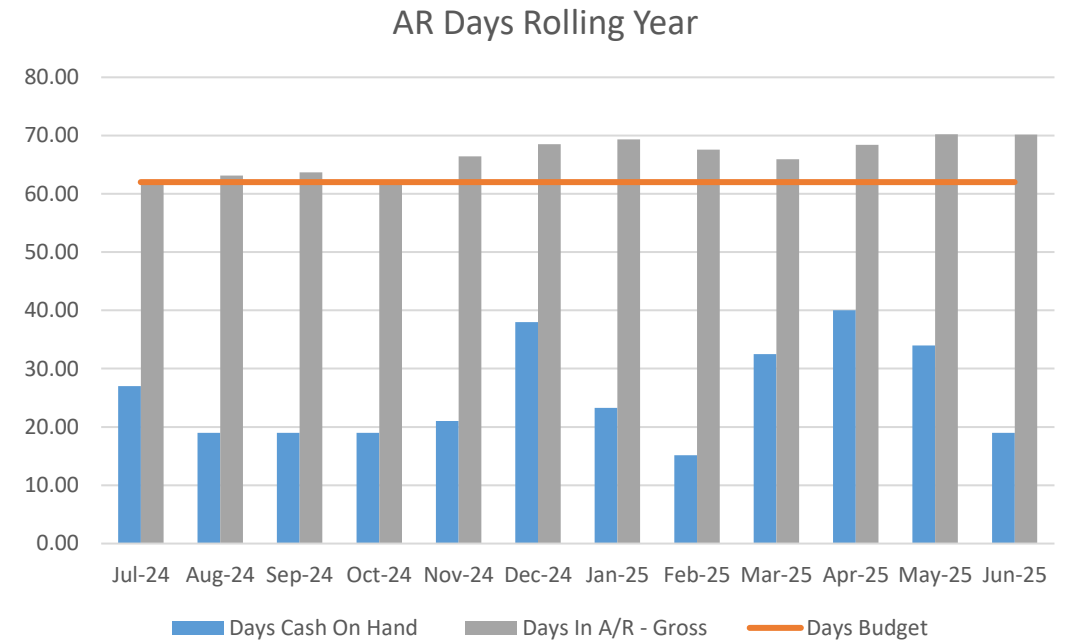
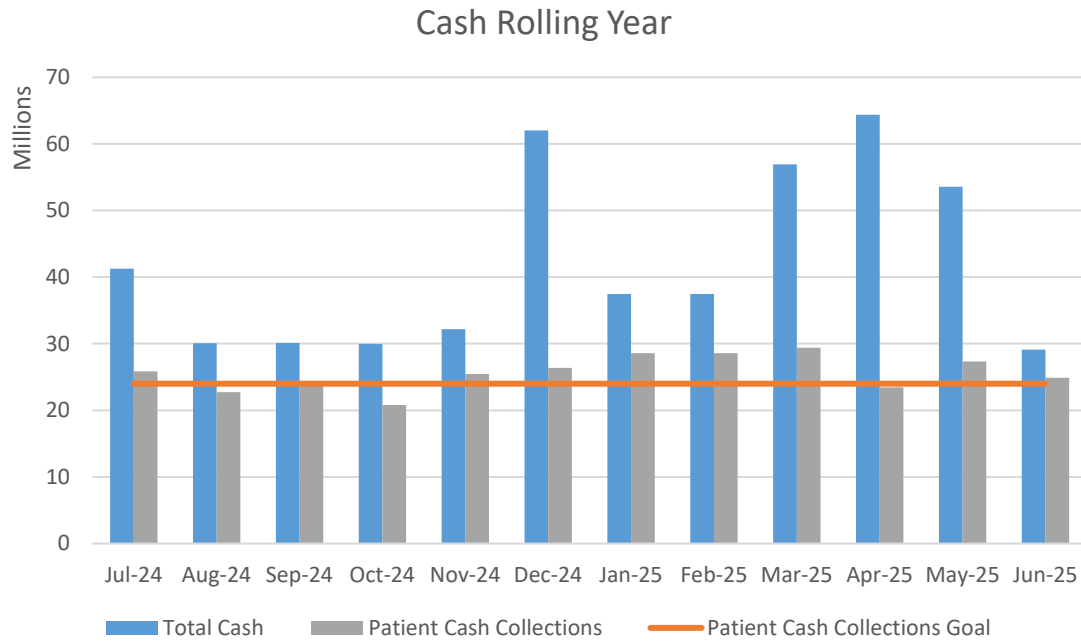
Operating Metrics



	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
Supply Expense per AA	\$3,284	\$3,506	\$3,152	\$3,323	\$3,342	\$3,339	\$3,629	\$3,933	\$3,835	\$4,028	\$3,426	\$2,868
Pharm Cost per AA	\$1,006	\$982	\$1,023	\$1,057	\$980	\$1,070	\$1,125	\$1,161	\$1,070	\$1,142	\$1,051	\$883
Net Revenue Per AA	\$14,906	\$15,102	\$14,315	\$14,556	\$14,878	\$15,768	\$15,411	\$18,087	\$16,764	\$18,019	\$16,125	\$12,325
Budget Supp/AA	\$3,630	\$3,369	\$3,331	\$3,369	\$3,371	\$3,401	\$3,407	\$2,546	\$3,410	\$3,413	\$3,408	\$3,143
Budget Pharm/AA	\$1,027	\$953	\$942	\$953	\$953	\$962	\$964	\$966	\$965	\$965	\$930	\$965
Budget Net Rev/AA	\$16,780	\$15,593	\$15,495	\$15,601	\$15,681	\$15,748	\$15,811	\$16,229	\$15,781	\$15,841	\$15,753	\$15,862

EBIDA Rolling Year







**KERN MEDICAL**  
**3-Month Trend Analysis: Revenues & Expenses**  
June 30, 2025

				BUDGET	VARIANCE	PY
	APRIL	MAY	JUNE	JUNE	POS (NEG)	JUNE
<b>Gross Patient Revenue</b>	\$ 124,761,344	\$ 125,810,620	\$ 119,470,785	\$ 107,262,884	11%	\$ 106,117,460
Contractual Deductions	(97,676,497)	(99,476,959)	(94,469,963)	(83,098,508)	14%	(83,040,656)
<b>Net Revenue</b>	27,084,847	26,333,662	25,000,823	24,164,376	3%	23,076,803
Indigent Funding	18,046,053	16,719,988	16,180,634	16,389,194	(1%)	13,708,409
Correctional Medicine	3,097,714	5,673,626	5,573,626	3,014,183	85%	2,847,714
County Contribution	(188,028)	285,211	285,211	281,304	1%	285,211
Incentive Funding	93,468	95,309	92,694	904,110	(90%)	186,406
<b>Net Patient Revenue</b>	48,134,054	49,107,796	47,132,987	44,753,166	5%	40,104,543
Other Operating Revenue	1,909,068	1,146,651	1,891,929	2,064,680	(8%)	2,646,808
Other Non-Operating Revenue	14,601	11,619	47,073	18,384	156%	14,726
<b>Total Revenue</b>	50,057,723	50,266,066	49,071,988	46,836,230	5%	42,766,077
<b>Expenses</b>						
Salaries	21,910,512	22,675,175	22,388,240	21,543,898	4%	21,142,054
Employee Benefits	9,489,364	9,680,582	8,087,782	9,006,738	(10%)	(1,178,525)
Registry	1,573,046	1,681,019	1,559,674	1,890,542	(18%)	2,356,954
Medical Fees	2,923,789	2,388,135	2,517,403	2,177,475	16%	2,452,926
Other Professional Fees	1,438,055	1,611,738	1,519,109	1,154,228	32%	1,153,808
Supplies	6,055,208	5,595,129	5,817,725	5,199,062	12%	5,396,559
Purchased Services	2,945,422	3,059,054	3,071,408	2,536,504	21%	2,910,182
Other Expenses	1,771,433	1,845,470	1,808,622	1,674,561	8%	2,246,556
Operating Expenses	48,106,829	48,536,302	46,769,963	45,183,008	4%	36,480,512
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 1,950,894	\$ 1,729,765	\$ 2,302,025	\$ 1,653,222	39%	\$ 6,285,565
EBIDA Margin	4%	3%	5%	4%	33%	15%
Interest	302,371	273,694	257,267	251,271	2%	434,922
Depreciation	765,526	731,372	710,865	714,280	(0%)	342,049
Amortization	585,896	585,896	629,260	662,045	(5%)	692,732
Total Expenses	49,760,622	50,127,263	48,367,354	46,810,603	3%	37,950,214
<b>Operating Gain (Loss)</b>	\$ 297,101	\$ 138,803	\$ 704,634	\$ 25,627	2,650%	\$ 4,815,863
<b>Operating Margin</b>	0.59%	0.28%	1.44%	0.05%	2,524.3%	11.3%

**KERN MEDICAL**  
**Year to Date Analysis: Revenues & Expenses**  
June 30, 2025

	ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
	FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
<b>Gross Patient Revenue</b>	\$ 1,416,182,905	\$ 1,311,952,062	8%	\$ 1,274,776,045	11%
Contractual Deductions	(1,110,008,889)	(1,016,353,319)	9%	(987,291,666)	12%
<b>Net Revenue</b>	306,174,015	295,598,743	4%	287,484,379	7%
Indigent Funding	215,422,598	199,401,855	8%	196,711,998	10%
Correctional Medicine	42,224,388	36,672,564	15%	34,172,564	24%
County Contribution	3,422,529	3,422,531	(0%)	3,422,997	(0.01%)
Incentive Funding	1,046,148	11,000,000	(90%)	186,406	0.0%
<b>Net Patient Revenue</b>	568,289,679	546,095,693	4%	521,978,344	9%
Other Operating Revenue	29,438,512	25,120,269	17%	23,897,988	23%
Other Non-Operating Revenue	189,216	223,674	(15%)	202,112	(6%)
<b>Total Revenue</b>	597,917,406	571,439,636	5%	546,078,444	9%
<b>Expenses</b>					
Salaries	270,197,206	262,770,951	2.8%	242,015,203	12%
Employee Benefits	110,818,669	109,849,255	0.9%	90,743,698	22%
Registry	21,762,265	23,145,451	(6%)	30,701,142	(29%)
Medical Fees	29,777,367	26,644,257	12%	27,495,136	8%
Other Professional Fees	17,279,862	14,043,102	23%	16,647,997	3.8%
Supplies	68,543,549	63,635,889	8%	61,128,216	12%
Purchased Services	34,557,155	30,860,796	12%	31,477,811	10%
Other Expenses	21,588,168	20,373,824	6%	21,601,425	(0%)
Operating Expenses	574,524,242	551,323,526	4%	521,810,628	10%
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 23,393,164	\$ 20,116,110	16%	\$ 24,267,816	(4%)
EBIDA Margin	4%	4%	11%	4%	(12%)
Interest	4,014,453	3,057,124	31%	3,169,180	27%
Depreciation	8,287,629	8,690,407	(5%)	8,040,981	3%
Amortization	7,282,908	8,054,882	(10%)	7,175,604	1%
Total Expenses	594,109,233	571,125,939	4%	540,196,393	10%
<b>Operating Gain (Loss)</b>	\$ 3,808,173	\$ 313,697	1,114%	\$ 5,882,051	(35%)
<b>Operating Margin</b>	0.6%	0.1%	1,060.2%	1.1%	(41%)

# KERN MEDICAL BALANCE SHEET

	JUNE 2025	JUNE 2024
<b>ASSETS:</b>		
<i><b>Total Cash</b></i>	<b>\$ 29,112,277</b>	<b>\$ 51,292,807</b>
Patient Receivables Subtotal	307,125,505	226,705,462
Contractual Subtotal	(266,628,405)	(178,831,571)
<i><b>Net Patient Receivable</b></i>	<b>40,497,100</b>	<b>47,873,891</b>
Total Indigent Receivable	236,821,006	213,986,673
Total Other Receivable	18,915,570	18,710,043
Total Prepaid Expenses	7,630,236	7,169,124
Total Inventory	4,732,535	4,640,927
<i><b>Total Current Assets</b></i>	<b>337,708,724</b>	<b>343,673,465</b>
Deferred Outflows of Resources	124,532,718	112,536,013
Total Land, Equipment, Buildings and Intangibles	272,511,539	269,668,722
Total Construction in Progress	16,830,709	8,190,143
<i><b>Total Property, Plant &amp; Equipment</b></i>	<b>289,342,249</b>	<b>277,858,865</b>
Total Accumulated Depr & Amortization	(183,555,309)	(169,685,192)
<i><b>Net Property, Plant, and Equipment</b></i>	<b>105,786,940</b>	<b>108,173,673</b>
<i><b>Total Long Term Assets</b></i>	<b>124,532,718</b>	<b>112,536,013</b>
<i><b>Total Assets</b></i>	<b>\$ 568,028,382</b>	<b>\$ 564,383,150</b>

# KERN MEDICAL BALANCE SHEET

	JUNE 2025	JUNE 2024
<b>LIABILITIES &amp; EQUITY:</b>		
Total Accounts Payable	\$ 12,024,241	\$ 17,165,327
Total Accrued Compensation	28,062,137	22,200,143
Total Due Government Agencies	1,778,086	3,958,120
Total Other Accrued Liabilities	25,210,005	25,609,317
<b><i>Total Current Liabilities</i></b>	<b>67,074,469</b>	<b>68,932,907</b>
Unfunded Pension Liability	344,447,058	345,399,109
Other Long-Term Liabilities	80,152,724	82,100,881
<b><i>Total Long-Term Liabilities</i></b>	<b>424,599,782</b>	<b>427,499,990</b>
<b><i>Total Liabilities</i></b>	<b>491,674,251</b>	<b>496,432,897</b>
<b><i>Total Net Position</i></b>	<b>76,354,131</b>	<b>67,950,253</b>
<b><i>Total Liabilities and Net Position</i></b>	<b>\$ 568,028,382</b>	<b>\$ 564,383,150</b>

**KERN MEDICAL**  
**STATEMENT OF CASH FLOWS**

	Fiscal Year-to-Date June 2025	Audited Fiscal Year-End June 2024	Unaudited Fiscal Year-to-Date June 2024	Fiscal Year-End June 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received for patient/current services	\$ 314,552,945	\$ 292,533,084	\$ 269,801,896	\$ 264,388,064
Cash received for other operations	260,727,035	233,602,712	215,144,043	236,708,950
Cash paid for salaries and benefits	(377,869,782)	(339,411,493)	(303,842,205)	(202,912,375)
Cash paid for services and supplies	(202,668,841)	(186,981,598)	(174,328,896)	(292,069,170)
Net cash (used in) provided by operating activities	(5,258,643)	(257,296)	6,774,838	6,115,469
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Cash (provided to) received from various County funds	-	-	-	2,070,094
Interest paid - pension obligation bond	256,677	420,331	-	(365,334)
Principal paid - pension obligation bond	(1,058,183)	(1,062,281)	-	(2,938,587)
Interest paid - line of credit	-	-	-	(262,368)
Line of credit payment	-	-	-	-
Net cash provided by (used in) noncapital financing activities	(801,506)	(641,950)	-	(1,496,195)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition or construction of capital assets	(11,508,871)	(18,896,864)	(19,363,869)	(12,141,601)
Payments on right-of-usage lease liability	(2,850,043)	3,896,089	4,110,582	(3,034,901)
Interest paid - right-of-usage lease liability	(7,976)	31,211	31,977	-
Payments on SBITA liability	(762,463)	(752,150)	(626,792)	(782,410)
Interest paid - SBITA	(580)	2,013	2,115	-
Net cash used by capital and related financing activities	(15,129,933)	(15,719,700)	(15,845,988)	(15,958,912)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on bank deposits and investments	-	-	-	181,109
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	(21,190,081)	(16,618,946)	(9,071,150)	(11,158,529)
CASH AND CASH EQUIVALENTS, beginning of year	50,302,358	66,921,303	66,921,303	78,079,832
CASH AND CASH EQUIVALENTS, year-to-date	<u>\$ 29,112,277</u>	<u>\$ 50,302,358</u>	<u>\$ 57,850,154</u>	<u>\$ 66,921,303</u>



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**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.



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

August 20, 2025

**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.




*What's Happening?*






# Upcoming Blood Drive

**HOUCHIN**   
COMMUNITY BLOOD BANK

*blood drive*

 **AB**  
**O ±**

**KERN MEDICAL  
HOSPITAL**

**TUESDAY, SEPTEMBER 2 •**  
**10:00 AM - 3:00 PM**  
1700 MOUNT VERNON AVE •  
BAKERSFIELD, CA 93306

**ALL SUCCESSFUL DONORS WILL RECEIVE (2) FREE  
ADMISSION TICKETS TO THE KERN COUNTY FAIR  
(WHILE SUPPLIES LAST)**

*when you give, people live*

# Stroke Gold Plus Award

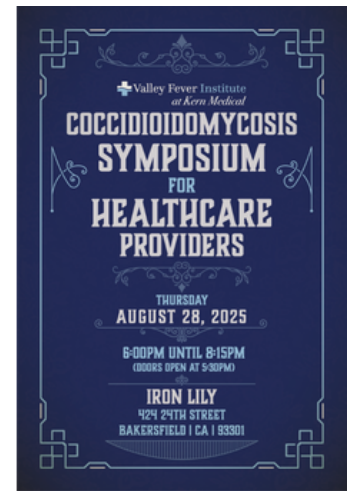
Kern Medical has earned national recognition from the American Heart Association (AHA) for its unwavering commitment to high-quality patient care. The hospital has received the Get With The Guidelines®–Stroke Gold Plus award, along with inclusion on the Target: Stroke Honor Roll and Target: Type 2 Diabetes Honor Roll.

This prestigious recognition reflects the hospital's dedication to following the latest evidence-based clinical guidelines to improve outcomes for patients experiencing stroke and managing Type 2 diabetes.

The Get With The Guidelines® initiative helps ensure patients receive care aligned with the most up-to-date research and treatment guidelines. Hospitals that consistently meet these rigorous quality measures are recognized for improving long-term health outcomes in their communities.



# Valley Fever Awareness Month Events



## New Podcast Episode



In this episode of Health for Life, we're talking about a skill that can truly save lives—how to Stop the Bleed.

Guests Allison Osvog, Clinical Manager of Trauma Medicine, and George Bratton, Trauma Performance Improvement Coordinator, break down the national Stop the Bleed initiative, how to control severe bleeding in an emergency, and what to do even if you don't have a kit.

Plus, hear powerful real-life stories where these simple actions made all the difference.



# Party in the Parking Lot



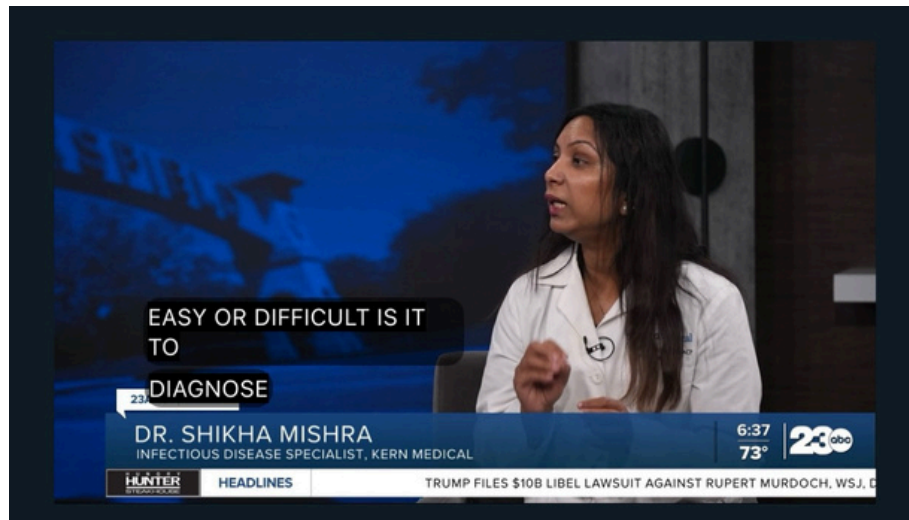
This year at Party in the Parking Lot, we provided well-child visits, vaccinations, and backpacks filled with school supplies to more than 150 children. We are especially grateful to our community partners for their support and for providing valuable educational resources.



# Kern Medical In the News



For the last several years, Dr. David Bowen, a board-certified hand surgeon at Kern Medical, has shared important fourth of July fireworks safety tips with our community. And last year, we saw the results: Dr. Bowen didn't see a devastating hand injury for the first time in years.



Dr. Shikha Mishra joined 23 ABC News to discuss the dangers of West Nile virus.



Dr. Ranjani Panithi spoke with KGET News to inform and educate on the dangers of leaving young children in cars during high temperatures.

# National Recognitions - July

- July 1-31: Cord Blood Awareness Month
- July 1-31: Healthy Vision Month
- July 1-31: International Group B Strep Awareness Month
- July 1-31: Juvenile Arthritis Awareness Month
- July 1-31: National Cleft & Craniofacial Awareness and Prevention Month
- July 1-31: National Hemochromatosis Awareness Month
- July 1-31: National Minority Mental Health Awareness Month
- July 1-31: Sarcoma Awareness Month
- July 1-31: UV Safety Month
- July 11: World Population Day
- July 22: World Brain Day
- July 23: World Sjogren's Day
- July 28: World Hepatitis Day

# National Recognitions - August

- National Immunization Awareness Month
- National Breastfeeding Month
- Psoriasis Awareness Month
- Children's Eye Health and Safety Month
- Spinal Muscular Atrophy Awareness Month
- Valley Fever Awareness Month
- National Health Center Week
- National Minority Donor Awareness Day – August 1
- National Senior Citizens Day – August 21
- International Overdose Awareness Day – August 31

# Did You Know - Up Sooner Safer

## What is it?

- Up Sooner Safer is Kern Medical's response to CA AB 1136 (Hospital Patient & Health Care Worker Injury Protection Act)
- It is a hybrid program - combines progressive mobility with safe patient handling
- It is a nursing-centered program, allows any patient to be assessed and then mobilized safely, reducing risk and injury to patients and staff.

## Why do we have this?

- Nearly 80% of registered nurses said they worked with musculoskeletal pain
- Over 62% cited a disabling musculoskeletal injury as one of their top health & safety concerns

## What are the benefits?

➤ *Enhancing the functionality of body mechanics from the beginning of a structured rehabilitation program can help to counteract the adverse effects of immobility and:*

- Increase the rate of recovery
- Shorten hospital stays
- Create positive momentum for the remainder of the rehabilitation plan
- Enhance long-term outcomes after discharge

## By the numbers:

- Prior to Up Sooner Safer, averaged 11 patient-handling staff injuries per year
- We now average **less than 3 injuries per year**

## What body part is most injured:

- Thoracic/Lumbar Spine (71% of injuries)

## What Patient Activity leads to most employee injuries

- Repositioning Patients (41% of injuries)
- From 2018 to 2024 – we had 17 SPH injuries.

## How many light-duty days resulted from these 17 injuries?

- 2,008 light-duty days

## Jumpstarting the Program

- Return of Mobility Coaches
- Completed Training of 60 coaches (RN's & PCT's) on July 8 & 10
- Hands-on Training
- Empowering staff
- Utilizing SIM lab & work situations
- Quarterly meetings
- Peer to Peer hands-on training

## What will the Coaches do:

- They will perform the hands on training of new hires & eventually will perform the annual competencies for all nursing staff





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**

August 20, 2025

**Subject:** Administrative Report for Two Months Ended June 30, 2025

**Recommended Action:** Receive and File

**Summary:**

**Kern Medical Surgery Center Operations**

**Key Performance Indicators:**

- May resulted in an operating loss of \$54,711; \$3,804 unfavorable to budget
- May volume of 208 surgeries is under the May budget of 229
- June resulted in an operating loss of \$121,047; \$68,642 unfavorable to budget
- Total surgeries were 223 for June, one case greater than the June budget of 222

**The following items have budget variances for the months of May and June 2025:**

**Patient Revenue:**

For May, gross patient revenue was 7.9% unfavorable to budget for the month, with the budget at \$1,626,438 and the actual gross patient revenue at \$1,497,307. May net revenue of \$397,662 is \$41,476 less than the May budgeted net revenue of \$439,138.

For June, gross patient revenue had a 0.5% unfavorable budget variance with actual gross revenue of \$1,566,038 compared to the budget of \$1,573,972. June net revenue of \$441,135 is \$16,163 greater than the budget of \$424,972.

On a fiscal year-to-date basis, gross patient revenue of \$20,791,961 is 8.6% higher than the budget of \$19,149,995.

**Supplies Expense:** May supplies of \$ 160,212 were under the budgeted amount of \$173,650. June supplies were \$32,299 over the June budget of \$168,048. Supply expenses are over budget due to restock of orthopedic implants.

**Salary and Benefit Expense:**

Salary expenses for May were \$177,714, which was \$19,587 over the budgeted amount of \$158,127. June salary expenses were \$184,422, which was \$31,396 over the June budget of \$153,026. Benefit expenses for May were \$27,315, which was \$12,217 below the budget of \$39,532. The benefit expenses for June were \$25,386, which was \$12,870 below the budget of \$38,256.

**Purchased Services:**

May purchased services in the amount of \$80,831 were under budget by \$9,618. June purchased services of \$123,710 were over budget by \$33,950 due to Moss Adams/Baker Tilly audit expense.

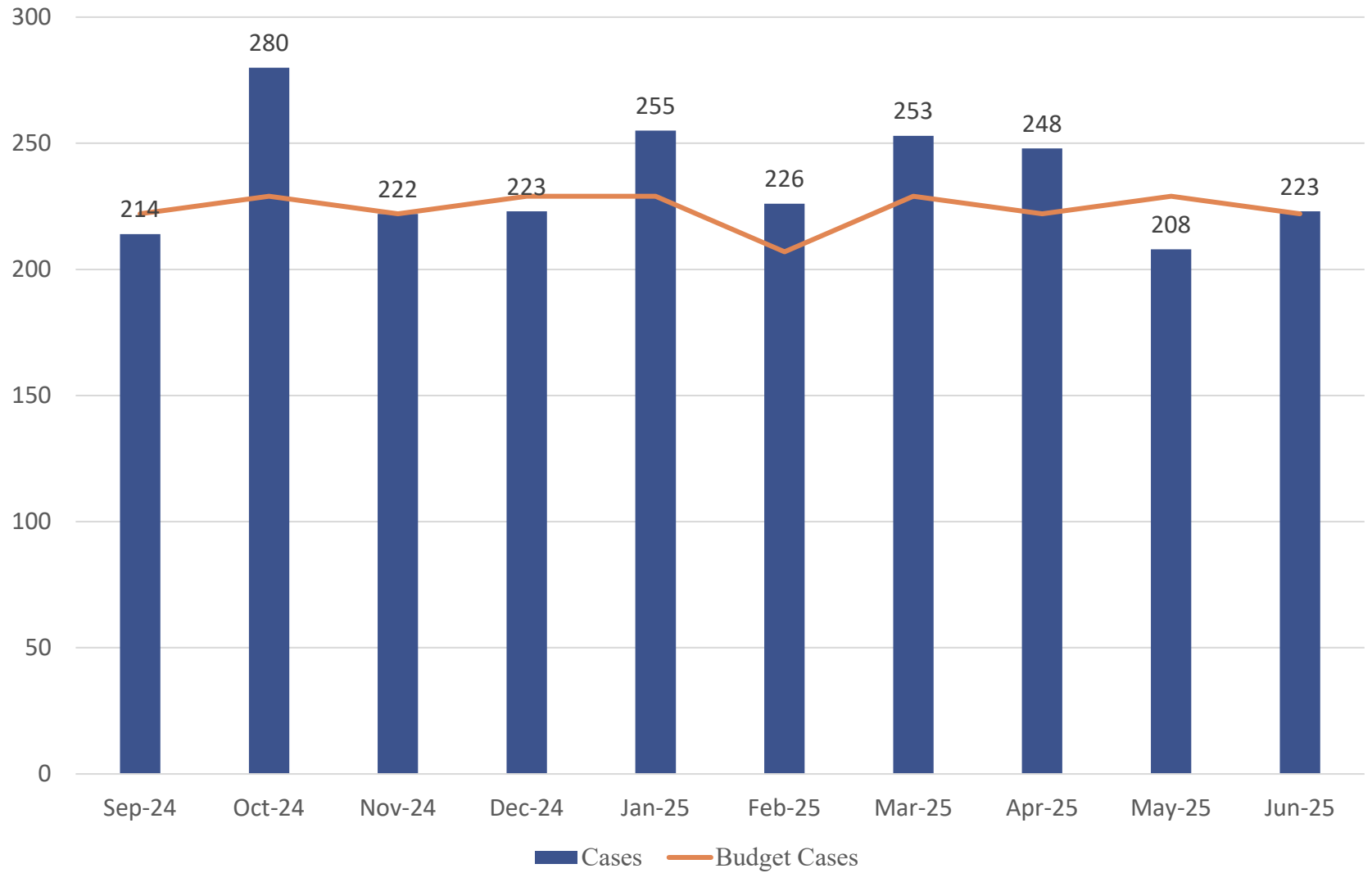
**Initiatives for Marketing and Growth:**

The Surgery Center continues to work with vendors and payers to finalize agreements for our Total Joint Replacement Program.

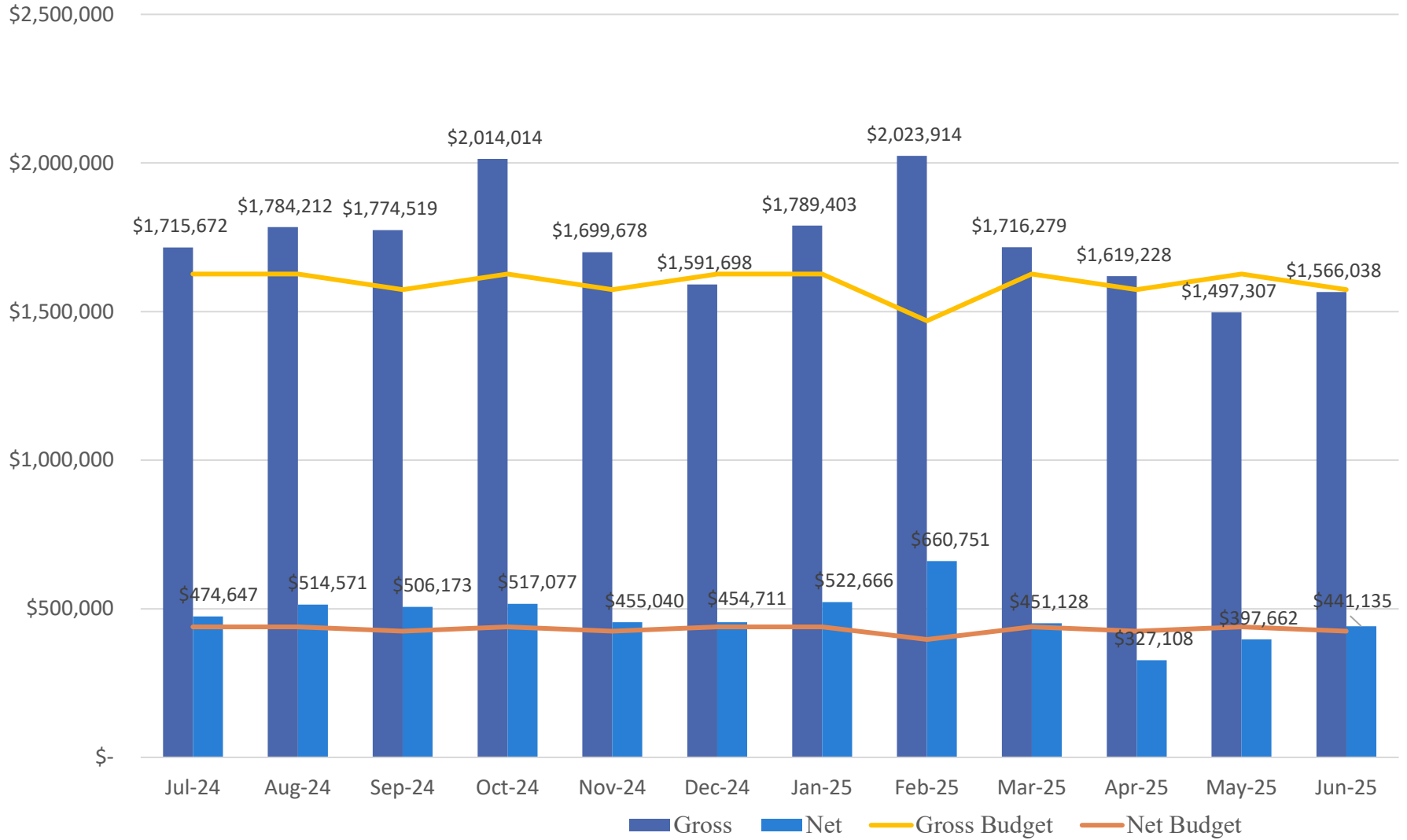


**BOARD OF MANAGERS' REPORT  
MAY 2025 – JUNE 2025**

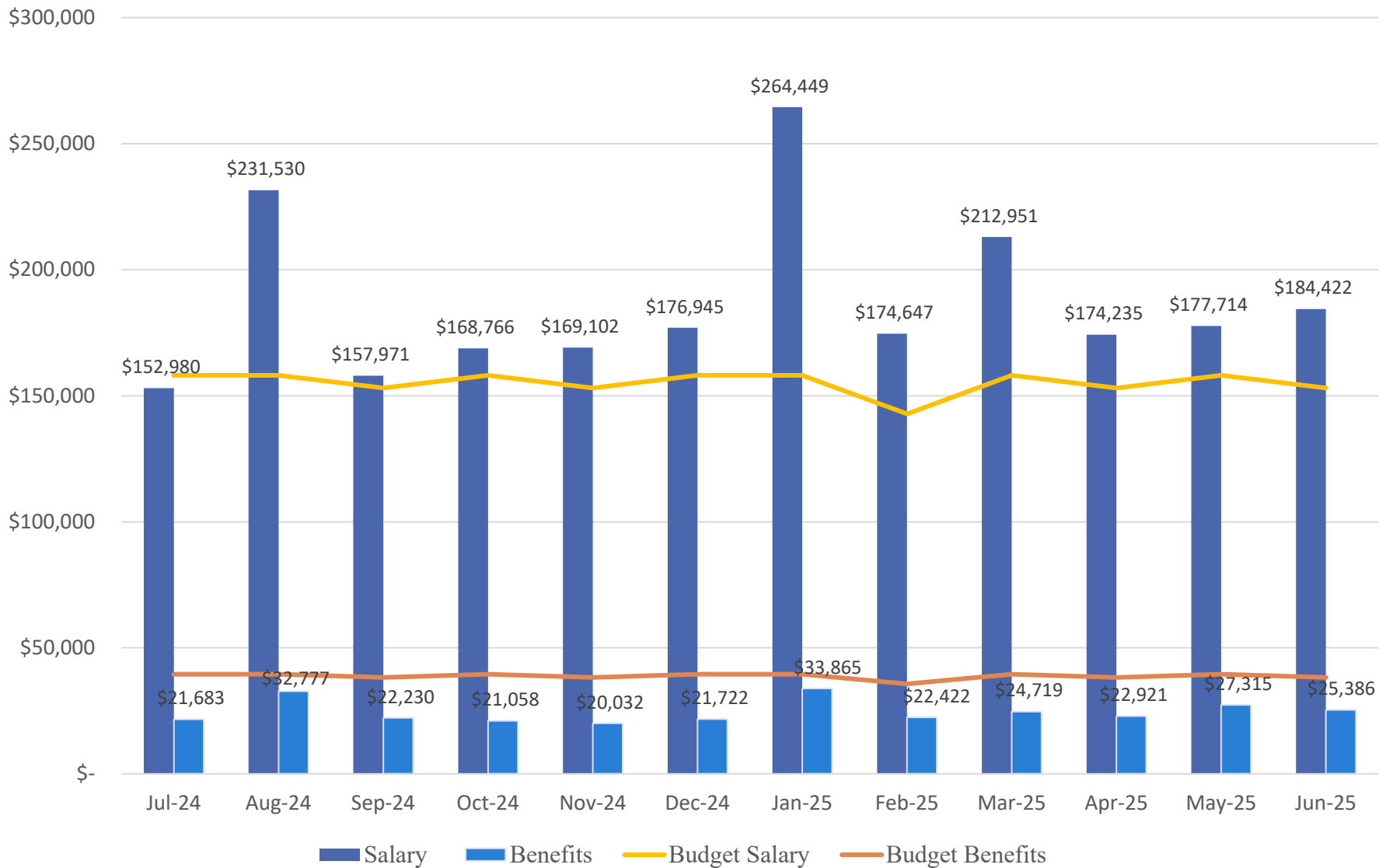
## Case Volume



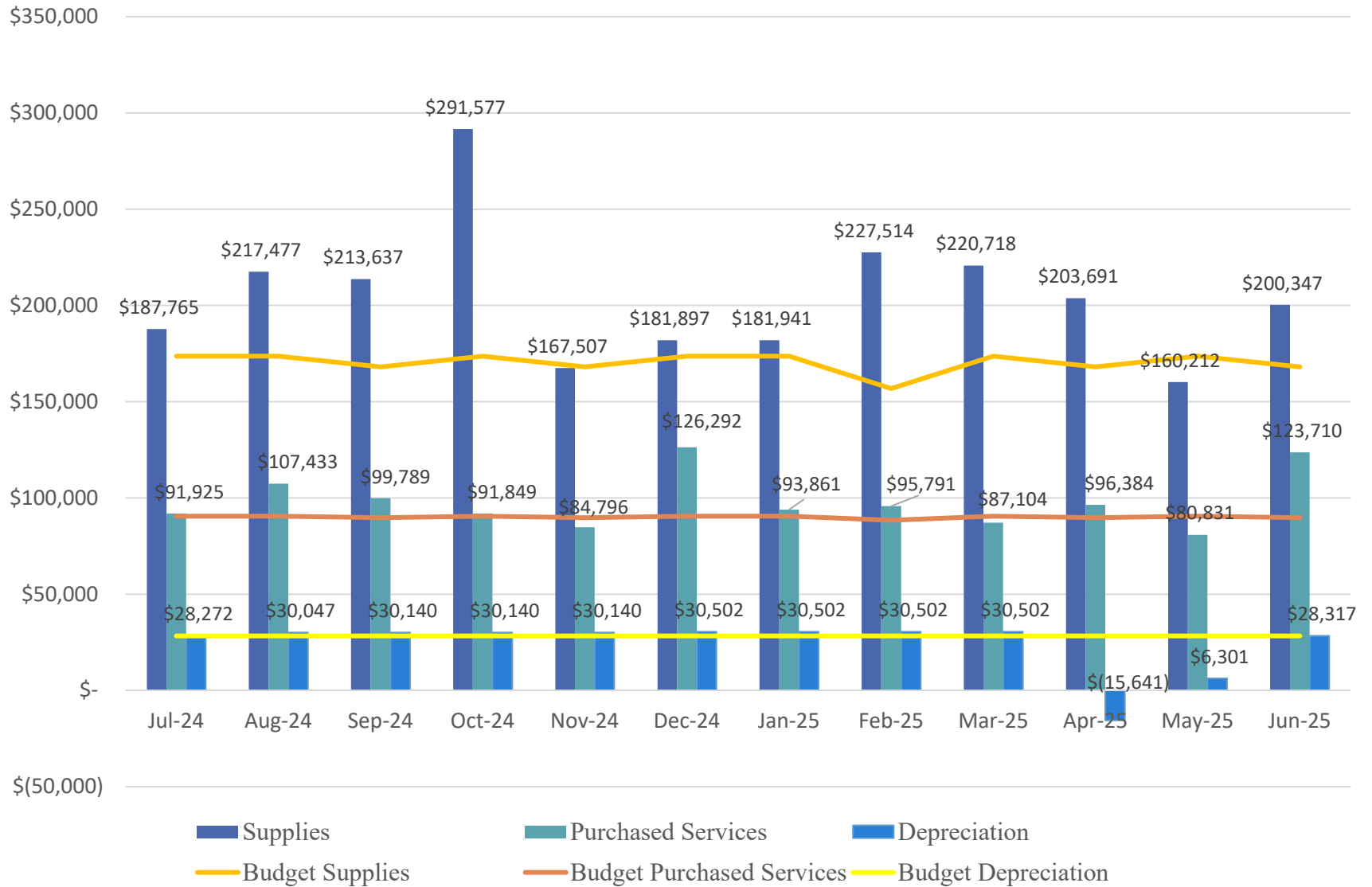
# Total Revenue



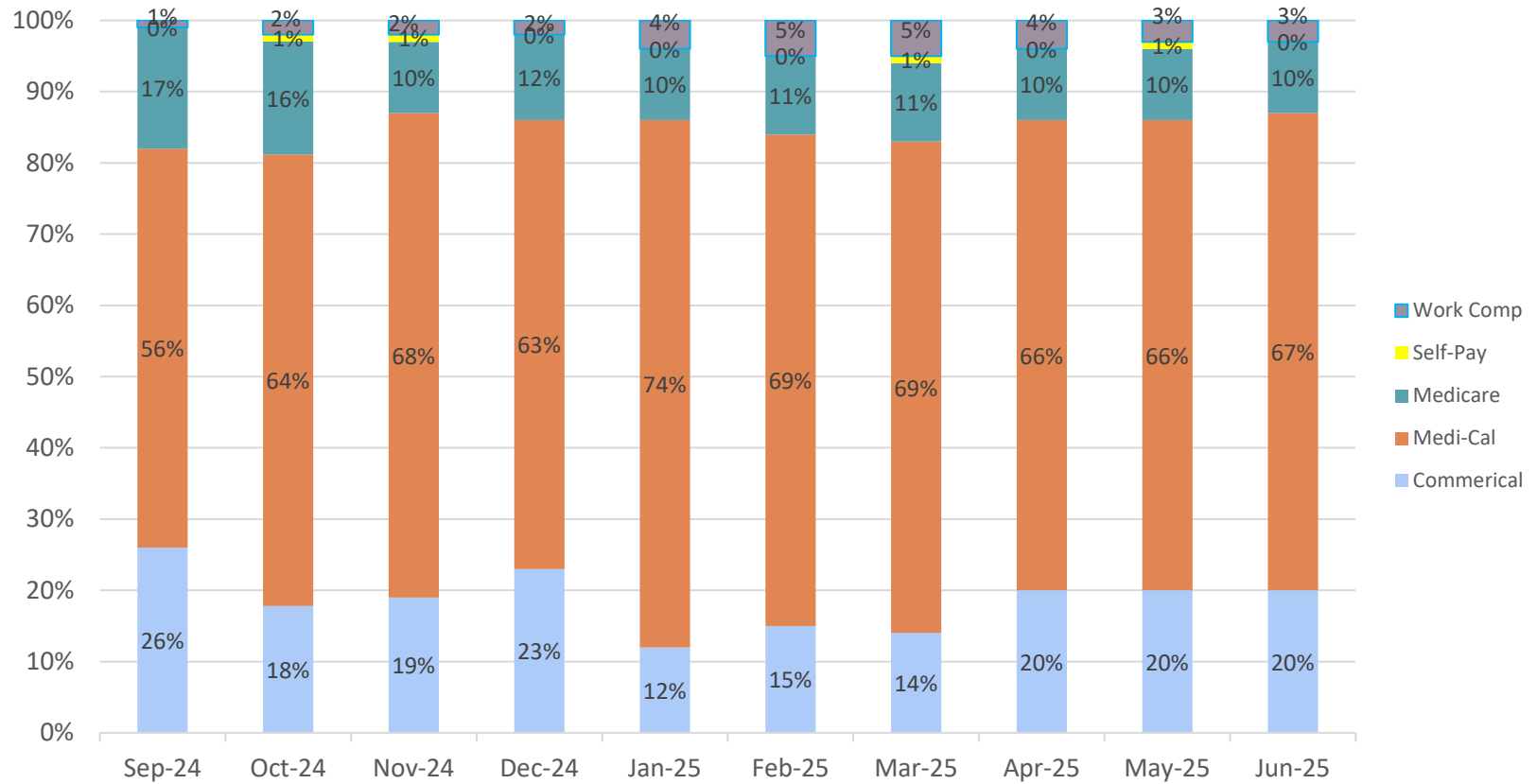
# Expenses



# Expenses



## PAYER MIX





**Kern Medical Surgery Center, LLC.**  
**Profit and Loss**

	<b>May-25</b>	<b>Jun-25</b>	<b>Budget Jun-25</b>	<b>Variance</b>
<b>Gross Revenue</b>	<b>\$ 1,497,307</b>	<b>\$ 1,566,038</b>	<b>\$ 1,573,972</b>	<b>\$ 7,934</b>
<b>Net Revenue</b>	<b>397,662</b>	<b>441,135</b>	<b>424,972</b>	<b>16,163</b>
<b>Salaries</b>	177,714	184,422	153,026	<b>(31,396)</b>
<b>Benefits</b>	27,315	25,386	38,256	<b>12,870</b>
<b>Supplies</b>	160,212	200,347	168,048	<b>(32,299)</b>
<b>Purchased Services</b>	80,831	123,710	89,760	<b>(33,950)</b>
<b>Depreciation</b>	6,301	28,317	28,287	<b>(30)</b>
<b>Total Expenses</b>	<b>452,373</b>	<b>562,182</b>	<b>477,377</b>	<b>(84,805)</b>
<b>Net Operating Gain (Loss)</b>	<b>\$ (54,711)</b>	<b>\$ (121,047)</b>	<b>\$ (52,405)</b>	<b>(68,642)</b>

**Kern Medical Surgery Center, LLC.**  
**Profit and Loss**  
**Fiscal Year to Date**

	<b>Actual FYTD</b>	<b>Budget FTYD</b>
<b>Gross Revenue</b>	<b>\$ 20,791,961</b>	<b>\$ 19,149,995</b>
<b>Net Revenue</b>	<b>5,722,669</b>	<b>5,170,495</b>
<b>Salaries</b>	<b>2,245,712</b>	<b>1,861,817</b>
<b>Benefits</b>	<b>296,130</b>	<b>465,454</b>
<b>Supplies</b>	<b>2,454,259</b>	<b>2,044,586</b>
<b>Purchased Services</b>	<b>1,179,765</b>	<b>1,080,564</b>
<b>Depreciation</b>	<b>289,724</b>	<b>339,444</b>
<b>Total Expenses</b>	<b>\$ 6,465,590</b>	<b>\$ 5,791,865</b>
<b>Net Operating Gain (Loss)</b>	<b>\$ ( 742,921)</b>	<b>\$ (621,370)</b>

**Balance Sheet**  
**As of June 30, 2025**

	<b>May-25</b>	<b>Jun-25</b>
<b>ASSETS</b>		
<b>Total Cash on Hand</b>	<b>\$ 148,513</b>	<b>\$ 95,430</b>
<b>Gross Patient Receivables</b>	<b>1,720,275</b>	<b>1,918,277</b>
<b>Contractual Reserve</b>	<b>(1,221,396)</b>	<b>(1,361,976)</b>
<b>Net Patient Receivables</b>	<b>498,880</b>	<b>556,300</b>
<b>Other Receivables</b>	<b>-</b>	<b>-</b>
<b>Total Accounts Receivable</b>	<b>499,120</b>	<b>556,540</b>
<b>Total Other Current Assets</b>	<b>700</b>	<b>6,392</b>
<b>Total Current Assets</b>	<b>648,333</b>	<b>658,362</b>
<b>Total Fixed Assets</b>	<b>648,974</b>	<b>620,658</b>
<b>TOTAL ASSETS</b>	<b>1,297,307</b>	<b>1,279,019</b>
<b>Liabilities and Equity</b>		
<b>Total Accounts Payable</b>	<b>3,020,547</b>	<b>3,124,268</b>
<b>TOTAL LIABILITIES</b>	<b>3,151,826</b>	<b>3,254,586</b>
<b>Total Equity</b>	<b>(1,854,519)</b>	<b>(1,975,566)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 1,297,307</b>	<b>\$ 1,279,019</b>



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**

August 20, 2025

**Subject:** Proposed First Amendment to Kern Medical Surgery Center Bylaws of the Medical Staff

**Recommended Action:** Approve

**Summary:**

The organized Medical Staff of Kern Medical Surgery Center is governed by Bylaws that are approved by the Governing Body of the Center. The Governing Body of the Center has determined that it is in the best interest of the medical staff to amend Article II, Categories of the Medical Staff, Other Health Care Professionals, of the Bylaws to clarify the definition of "current license" to include a postgraduate training license issued by the Medical Board of California or the Osteopathic Medical Board of California, as applicable, to a physician-in-training. The Amendment is effective August 20, 2025.

Therefore, it is recommended that your Board approve the attached First Amendment to the Kern Medical Surgery Center Bylaws of the Medical Staff.

**CREDENTIALING RECOMMENDATIONS TO BOARD OF MANAGERS**  
**August 20, 2025**

**Initial Appointments:** The following practitioner(s) are recommended for initial appointment and clinical privileges as delineated by the respective department chair:

*Jonathan Levin, MD, Pain Management*  
*Delphine Lam, DPM, Podiatry*

**APP Initial Appointments:**

*None.*

**Reappointments:** The following practitioner(s) are recommended for reappointment and clinical privileges as delineated by the respective department chair:

*Mark Schamblin, MD, Orthopedic Surgery*

**APP Reappointments:**

*Mark Hunter, CRNA*



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**BOARD OF MANAGERS  
REGULAR MEETING  
KERN MEDICAL SURGERY CENTER, LLC**

August 20, 2025

**Subject:** Proposed First Amendment to Kern Medical Surgery Center Bylaws of the Medical Staff

**Recommended Action:** Approve

**Summary:**

The organized Medical Staff of Kern Medical Surgery Center is governed by Bylaws that are approved by the Governing Body of the Center. The Governing Body of the Center has determined that it is in the best interest of the medical staff to amend Article II, Categories of the Medical Staff, Other Health Care Professionals, of the Bylaws to clarify the definition of "current license" to include a postgraduate training license issued by the Medical Board of California or the Osteopathic Medical Board of California, as applicable, to a physician-in-training. The Amendment is effective August 20, 2025.

Therefore, it is recommended that your Board approve the attached First Amendment to the Kern Medical Surgery Center Bylaws of the Medical Staff.

**FIRST AMENDMENT  
TO  
KERN MEDICAL SURGERY CENTER BYLAWS OF THE MEDICAL STAFF**

WHEREAS, the organized Medical Staff of Kern Medical Surgery Center is governed by Bylaws that are approved by the Governing Body of the Center; and

WHEREAS, the Governing Body of the Center has determined that it is in the best interest of the medical staff to amend Article II, Categories of the Medical Staff, Other Health Care Professionals, of the Bylaws to clarify the definition of "current license" to include a postgraduate training license issued by the Medical Board of California or the Osteopathic Medical Board of California, as applicable, to a physician-in-training; and

WHEREAS, the Bylaws are amended effective August 20, 2025;

NOW, THEREFORE, BE IT RESOLVED that effective as the date set forth above and incorporating by this reference the foregoing recitals, the Kern Medical Surgery Center Bylaws of the Medical Staff are amended as follows:

1. Article II, Categories of the Medical Staff, Other Health Care Professionals, paragraph A, shall be deleted in its entirety and replaced with the following:

"A. The medical staff recognizes that in furtherance of the aims and objectives of the Center, it may be appropriate to grant practice privileges to other health care professionals. These professionals will be required to complete an application for membership as applicable to their profession, show current malpractice insurance coverage, provide a curriculum vitae, and show evidence of current licensure<sup>1</sup> or certification, if applicable to their profession."

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

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

4. 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.

5. Except as provided herein, all other terms, conditions and covenants of the Bylaws shall remain in full force and effect.

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<sup>1</sup> The definition of "current licensure" includes a postgraduate training license issued by the Medical Board of California or the Osteopathic Medical Board of California, as applicable, to a physician-in-training.

IN WITNESS WHEREOF, this First Amendment to Kern Medical Surgery Center Bylaws of the Medical Staff is adopted this 20th day of August, 2025.

ADOPTED by the Governing Body of Kern Medical Surgery Center.

By David Bowen MD

David T. Bowen, M.D.

Medical Director

ADOPTED by Kern Medical Surgery Center Board of Managers.

By \_\_\_\_\_

Chairman

Board of Managers

APPROVED AS TO FORM:

By \_\_\_\_\_

Vice President & General Counsel

Kern County Hospital Authority





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**

August 20, 2025

**Subject:** Single Site Agreement with Johnson & Johnson Health Care System Inc., an independent contractor, for the purchase of joint reconstruction products

**Recommended Action:** Approve; Authorize Chairman to sign

### **Summary:**

Kern Medical Surgery Center, LLC requests that your Board approve the Single Site agreement with Johnson & Johnson Health Care Systems Inc. for the purchase of joint reconstruction products. This agreement allows Kern Medical Surgery Center to purchase products for total joint procedures at preferred pricing. Kern Medical Surgery Center has seen an increase in orthopedic procedures and found the Depuy Synthes line of joint reconstruction products to be the most comprehensive for the Surgery Center's needs and the most cost effective.

The cost is limited to products in Schedule A which are subject to price concessions. The agreement is for a term of two (2) years beginning when the prices are loaded into the platform with an estimated cost of \$500,000 per year, with six (6) procedures estimated for each month, for a total not to exceed of \$1,000,000 for the two (2) year term.

Counsel is unable to approve due to nonstandard terms and conditions which include liability for the product to be transferred at the designated carrier rather than at delivery, law and venue being New York, waiver of jury trial, and limited indemnification. Efforts were made to negotiate these terms but to no avail.

Even with the nonstandard terms and conditions, Kern Medical Surgery Center continues to recommend that your Board approve the proposed Single Site Agreement with Johnson & Johnson Health Care System Inc. for the purchase of joint reconstruction products, for a term of two (2) years, with an estimated maximum payable of \$1,000,000, and authorize the Chairman to sign.

## SINGLE SITE AGREEMENT

(DePuy Synthes Joint Reconstruction)

This Single Site agreement is between Johnson & Johnson Health Care Systems Inc., a New Jersey corporation (the "Company"), and Kern Medical Surgery Center LLC, a California limited liability corporation (the "Customer").

The Company and its affiliates sell pharmaceutical and biological drugs, medical devices, and consumer products. The Customer is a hospital or surgery center.

The federal anti-kickback statute, 42 U.S.C. § 1320a-7b(b), prohibits certain activities in connection with referring or arranging for business paid for by a federal healthcare program. The Company will provide the Customer, as permitted by the discount exception to the federal anti-kickback statute (42 U.S.C. § 1320a-7b(b)(3)) and/or the "discount safe harbor" to the federal anti-kickback statute under (42 C.F.R. § 1001.952(h)), with Price Concessions on purchases under this agreement if certain conditions are met.

The parties agree as follows:

### Article 1

#### PRODUCT TERMS AND PRICING

1.1 Products and Pricing. This agreement is limited to the Company's DePuy Synthes Joint Reconstruction business line of DePuy Synthes Sales, Inc. ("DePuy Synthes"). Only products covered by Schedule A (the "Products") and purchased under this agreement are eligible for Price Concessions. The pricing (including any discount at the time of sale (a "Discount") and any retrospective payment (a "Rebate"), each, a "Price Concession") is set forth in Schedule A.

1.2 Customer Eligibility. The Customer will not be entitled to purchase any Product set forth in Schedule A unless, at the time of purchase, the Customer is a hospital or surgical center located in any of the 50 United States or the District of Columbia; does not purchase Products directly or indirectly under another agreement with the Company or its affiliates; serves only the Customer's patients; and does not sell Products purchased under this agreement at retail to the general public.

1.3 Direct Purchases. (a) The Company reserves the right to not provide technical support for procedures that include Products not purchased directly from the Company or its affiliates, or that include non-DePuy Synthes implants used directly with Products, and disclaims any and all indemnity, liability and warranty obligations related to such procedures and the Products and other items used therein.

(b) For non-CDC Shipments, as defined below, sales orders are classified either as a "Delivered Order" or a "Regular Order". A "Delivered Order" is an order where the Company provides physical access to Company-owned inventory up to the time of the surgery, either via consignment, loaner, or sales consultant delivery, and the Customer elects to purchase such inventory either in advance of or during surgery (may also be referred to as a "bill-only" order). Delivered Orders are F.O.B. Destination, net 30 days. Customer is required to provide a purchase order to Company for all Delivered Orders within 48 hours of surgical usage. A "Regular Order" is the shipment of Product from the Company's distribution center directly to the Customer. Regular Orders are F.O.B. Origin, title transfer and Customer acceptance of such Product occurring upon transfer of Product to the carrier, net 30 days. To be eligible for non-CDC Shipments for expedited shipments, the Customer must request removal of any third-party freight management account on record, if applicable, in writing to the Company.

(c) A Customer may elect to use its designated carrier for expedited shipments of Product from the Company where the Company permits the use of customer designated carriers (each a "CDC Shipment"). Three business days prior to each CDC Shipment, the Customer must provide the name of the carrier and the Customer's freight account number or have confirmed the third-party freight management account on record with the Company, for the shipment. Each CDC Shipment shall be F.O.B. Origin, Freight Collect, title transfer and Customer acceptance of such Product occurring upon transfer of Product to the carrier. Payment terms are net 30 days. The Customer shall pay the

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designated carrier directly. No shipping or handling costs may be added to the Company's invoice to the Customer for any CDC Shipment. The Customer shall be responsible for the goods in each CDC Shipment and shall bear the risk of loss or damage while the Products are in transit. The Customer shall pay the Company for any Product lost or damaged in transit within 30 days of such loss or damage at the Customer's price then in effect.

(d) Policies in effect at the Company or its affiliate, as applicable, (i) at the time of purchase regarding order and payment, will apply to any such purchase, and (ii) at the time of return, will apply to any Product returns.

1.4 Other Purchases. Only Products purchased under this agreement, as measured by the Company, are eligible for payment of Rebates and fees, and for calculation of performance requirements. The Company will not reverse Distributor chargebacks or other payments made to or by the Company for the purchase of Products so that a purchase can be attributed to a different contract.

1.5 Consignment Terms. Both Products and items provided by the Company or its affiliate for use with the Products without separate charge may be stored at the Customer location ("Non-Product Inventory", and together with such Products, the "Inventory"). If so, the following terms shall apply:

(a) The Inventory shall be located on the Customer's premises (or within its control) and shall be stored by the Customer for use in accordance with the item's labeling.

(b) The Company or its sales representation may review the Inventory and usage levels. If the usage of the Inventory falls below acceptable levels as determined solely by the Company or its sales representation, the Company may adjust the consigned Inventory levels on notice to the Customer.

(c) The Customer is responsible for the Inventory while it is in the Customer's possession. Any lost, destroyed, damaged or stolen Product Inventory will be charged to the Customer at the Customer's price then in effect. Any lost, destroyed, damaged or stolen Non-Product Inventory will be charged to the Customer at the Company's standard replacement fee and the Company will continue to maintain title to the replacement. The Customer shall be responsible for proper storage and security of the Inventory and payment of all taxes and expenses with respect to the property in which the Inventory is stored.

(d) The Company or its sales representation has the right, at any reasonable time, to inspect or perform physical counts of the Inventory. The Customer will permit the Company or its sales representation access to its facilities to conduct such activities. The Company or its sales representation will schedule appointments with the Customer as required.

(e) The Customer must deliver a valid purchase order number to the Company within five working days after use of any consigned Product. With respect to any Product that has a label permitting multiple uses (such as certain drill bits), the use of the Product shall be deemed to have occurred upon the first use. The Company will invoice the Customer for the Product used and ship a replacement unit. The Customer shall consume the Products at the catalog number level on a first-in, first-out basis. Customer is responsible for cleaning and sterilizing all Inventory before and after surgery.

(f) Any Inventory worn beyond normal wear and tear, or abused, or in need of repair will be replaced or repaired at the expense of the Customer. The Company will inspect such Inventory and report the final appraisal.

(g) The Company maintains title to the Inventory. The Customer agrees to not in any manner pledge, assign or encumber the ownership or title of the Inventory nor will it cause or allow any lien or security interest to be placed on or against any or all the Inventory. The Customer will not without the Company's prior written consent sell, transfer or deliver any or all the Inventory to any other person or entity except in connection with the Customer's ordinary course of business and in delivery of service to the Customer's patients. The Customer will execute any documents necessary or desirable to evidence and protect the Company's ownership of and title to the Inventory. Title to a Product will transfer when it is removed from inventory and the first to occur of (1) any breach of sterile seal of the Product; (2) implantation or use of the Product; or (3) the Product becomes otherwise unusable. Inventory may not be exchanged with other customers or other parties without prior written approval from the Company.

(h) Only Inventory provided directly by the Company may be placed in Company loaned inventory solutions options, including Company graphic cases and containers, Inventory specific storage carts and general inventory storage carts. Inventory may not be quarantined from use for competitive product evaluation and Inventory may not be used to facilitate competitive product evaluation.

(i) The Customer represents and warrants that: (1) it has in place and enforces a policy and procedure regarding the treatment and disposal of material which has a reasonable suspicion of coming in contact with Transmissible Spongiform Encephalopathies/Creutzfeldt-Jakob Disease ("TSE/CJD"); and (2) no such material will knowingly be sent to the Company. The Customer hereby indemnifies the Company for any damage resulting from breach of this section.

(j) The Company will remove the Inventory within 30 days of an inventory level modification, termination or earlier expiration of this agreement. The Customer will permit the Company access to its facilities to remove such Inventory and shall provide reasonable cooperation to the Company in such removal and reconcile all Inventory units by either of the options listed below or a combination of both options as follows:

- (1) Return Product Inventory in saleable condition (unopened and undamaged package with original ship units) and Non-Product Inventory in the condition originally received, ordinary wear and tear excepted; or
- (2) Issue purchase orders for all unreturned Inventory, including any lost, damaged, stolen or other missing items.

## Article 2 GENERAL PROVISIONS

2.1 Term and Termination. This two (2) Year agreement will be effective as of \_\_\_\_\_ (the "Effective Date") and expires on \_\_\_\_\_ (the "End Date"). The Effective Date and the End Date will be determined by the Company based upon price loading requirements. The Company will complete this section upon final execution of this agreement. This General Provisions Article, along with any accrued rights and responsibilities, will survive termination or expiration of this agreement. In addition, either party may terminate this agreement at any time by giving 30 days' advance notice to the other party.

2.2 Entire Agreement. All exhibits and schedules attached hereto and referenced herein are made a part of this agreement. This agreement constitutes the entire agreement between the parties concerning the subject matter of this agreement and supersedes all prior negotiations and agreements between the parties concerning the subject matter of this agreement. The terms of any purchase order, invoice, or similar document used to implement this agreement shall be subject to and shall not modify this agreement.

2.3 Amendment. Except as otherwise expressly stated herein, this agreement may only be amended by a writing executed by the parties.

2.4 Assignment. Except as provided in this section, neither party may assign, directly or indirectly, this agreement or any of its rights or obligations under this agreement, either voluntarily or involuntarily (whether by merger, acquisition, consolidation, dissolution, operation of law, change of control, or otherwise), without the prior written consent of the other party. If the Company or any of its affiliates divests itself of any Product, then the Company may assign to the person or entity acquiring that Product any of the Company's rights under this agreement relating to that Product, on the condition that the assignee will also assume the Company's obligations under this agreement relating to that Product. Any purported assignment in violation of this section will be void.

2.5 Notices. Notices under this agreement must be delivered by one of the following means:

- In writing, signed by the sending party, and sent to the address below by one of the following methods: personal delivery; registered or certified mail, in each case return receipt requested and postage prepaid; or nationally recognized overnight courier, with all fees prepaid (the notice will be effective upon receipt or refusal of delivery by the other party).

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party requires any such recipient to use the information solely for these purposes and to keep it strictly confidential.

- (2) A party may disclose Confidential Information as required by law, provided that the disclosing party provides reasonable prior notice to the other party to enable such other party to attempt to prevent or limit the disclosure and the disclosing party assists the other party upon request in seeking relief from or limiting the disclosure.
- (3) The Company may disclose this agreement and Confidential Information related to this agreement to: any prospective buyer of rights with respect to a Product, provided that such buyer agrees in writing to use the information solely in that capacity and to keep it strictly confidential; to its affiliates; and to any entity that manufactures, markets, co-markets, or distributes any Product, provided that any such entity uses the information solely for these purposes and keeps it strictly confidential.
- (4) Neither party shall be obligated to hold the following information in confidence: information that is or becomes publicly available through no fault of the recipient, information developed by a party without using any Confidential Information, information lawfully possessed by a party before receipt from the disclosing party, and information lawfully disclosed to a party on a nonconfidential basis from a person or entity that is not bound by a duty of confidentiality.
- (5) A party may disclose Confidential Information with the prior written consent of the other party.

2.12 Force Majeure and Product Shortage. Noncompliance with any obligation under this agreement due to an event of force majeure or any other cause beyond the reasonable control of the entity affected will not constitute a breach of this agreement. In the event of a shortage of Product, the Company and its affiliates reserve the right to allocate Products among their customers in any manner that they, in their sole discretion, determine is reasonable.

2.13 Changes in Products. If a Product is discontinued, the regulatory status of a Product changes, or the Company and its affiliates cease to market or co-market a Product, then the Company may delete that Product from this agreement by notice to the Customer.

2.14 Audit. To verify that the Customer has complied with its obligations under this agreement, the Company may audit all relevant books and records of the Customer. Audits will be on reasonable notice, during regular business hours and limited to one in any 12-month period. Unless in response to a governmental investigation, audits will be limited to the purchases of Products within three years prior to the date of the audit request.

2.15 Compliance with Law. In performing their obligations under this agreement, the Company and the Customer shall comply with all applicable federal and state laws and regulations, including without limitation the Federal Food, Drug and Cosmetic Act, the Prescription Drug Marketing Act, equal-opportunity laws, and fraud and abuse laws.

2.16 Pricing Disclosure. (a) The Customer acknowledges that, by law, it is required to disclose, in any cost reports or claims for reimbursement submitted to Medicare, Medicaid, or certain other health care programs, the cost (including, but not limited to, Price Concessions or any other price reductions) of any Product purchased under this agreement and, on request, provide to the U.S. Department of Health and Human Services and any state agencies, any invoices, coupons, statements, and other documentation reflecting such costs for Products. The Customer may receive subsequent documentation under some programs reflecting adjustments or allocations to the Price Concessions available hereunder.

(b) In preparing any documentation referred to in Section 2.16(a), the Customer may be required to evaluate as a discount, for cost-reporting purposes, the value of any Product listed as \$0.00 on any invoice.

(c) The Customer should not include as a discount, for cost-reporting purposes, the value of any item that is designated as a sample, or that the Customer knows constitutes a sample, nor should it seek reimbursement for any such items.

(d) The Company recommends that the Customer retain a copy of this agreement and any other documentation provided by the Company regarding any Price Concessions under this agreement.

(e) The Customer may request additional information from the Company to meet its reporting or disclosure obligations by writing to the Company at the address stated in Section 2.5.

2.17 Government Program Participation. The Company represents that it has not been excluded from participating in any "federal health care program", as defined in 42 U.S.C. § 1320a-7b(f), or in any other federal or state government payment program and that it is eligible to participate in the foregoing programs. The Customer represents that it has not been excluded from participating in any "federal health care program", as defined in 42 U.S.C. § 1320a-7b(f), or in any other federal or state government payment program and that each is eligible to participate in the foregoing programs. If either party is excluded from participating in, or becomes otherwise ineligible to participate in, any such program during the term of this agreement, then such party will notify the other party of that event within 30 days. Upon occurrence of that event, whether or not such notice is given, either party may terminate this agreement effective upon written notice to the other party.

2.18 Dispute Resolution. This agreement shall be governed by and construed in accordance with the internal laws of the State of New York. Any controversy or claim arising out of or relating to this agreement (including without limitation any controversy or claim involving the parent company, subsidiaries, or affiliates under common control of the Company or the Customer (a "Dispute")), shall first be submitted to mediation according to the Commercial Mediation Procedures of the American Arbitration Association ("AAA") (see [www.adr.org](http://www.adr.org)). Such mediation shall be attended on behalf of each party for at least one session by a senior business person with authority to resolve the Dispute. Any period of limitations that would otherwise expire between the initiation of a mediation and its conclusion shall be extended until 20 days after the conclusion of the mediation. Engaging in mediation will not preclude a party from seeking interim or provisional relief necessary to protect the rights or property of that party. By so doing, such party does not waive any right or remedy under this agreement. Any Dispute that cannot be resolved by mediation within 45 days of notice by one party to the other of the existence of a Dispute (unless the parties agree to extend that period) shall be submitted for resolution to a United States District Court sitting in New York, if that court has subject matter jurisdiction, or otherwise to the New York state court of appropriate jurisdiction. EACH PARTY HEREBY IRREVOCABLY WAIVES THE RIGHT TO TRIAL BY JURY. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT TO SEEK OR COLLECT PUNITIVE, EXEMPLARY, COVER, MULTIPLIED OR LOST PROFITS/REVENUES OR CONSEQUENTIAL DAMAGES, PREJUDGMENT INTEREST OR ATTORNEYS' FEES OR COSTS EXCEPT AS MAY BE REQUIRED BY STATUTE.

2.19 Own Use. The Customer must use the Products solely on their patients, staff, employees, students and their respective dependents. The Customer will not resell any Products, including, without limitation, in retail outlets or to any affiliate.

2.20 Accuracy of Reports. The Customer will ensure (through appropriate monitoring and auditing) that all reports that it is required to provide to the Company to implement this agreement are complete and accurate. The Customer represents that it is currently able to generate all such reports in an electronic format.

2.21 Set Off. The Customer will neither deduct nor set off, from payments under this agreement, amounts allegedly owed to the Customer by the Company or its affiliates under a separate agreement or cause of action.

2.22 Insurance. The Company will maintain product liability and general liability insurance against any insurable claims that are reasonably likely to arise regarding Products purchased from the Company.

2.23 Indemnity. (a) The Company will indemnify the Customer for losses arising from any third-party claim made by any person or entity, other than the Customer, alleging that (i) use of any Product resulted in bodily injury to the extent such claims arise out of manufacturing or material defects in Products and provided that the Product was used in accordance with Company-approved labeling, or (ii) any Product infringes the intellectual property of any other person or entity.

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(b) It is a condition to the Company's obligations under Section 2.23(a) that the Customer notify the Company promptly of that claim, permit the Company to control the litigation and settlement of that claim, and cooperate with the Company in all matters related thereto, including by making its documents, employees and agents available as reasonably necessary.

(c) The Company will not be required to indemnify the Customer with respect to: any claim arising out of negligence or willful misconduct by the Customer; use of a Product by any person or entity other than in accordance with its labeling, misuse or alteration of any Product; or breach by the Customer of its obligations under this agreement.

(d) The Company may not settle any claim without the consent of the Customer unless there is no finding or admission that the Customer has violated any law or the rights of any person or entity and the sole relief provided is monetary damages that the Company pays in full.

2.24 Direct Agreement. This agreement is unrelated to any agreement with any group purchasing organization of which the Customer is a member. The Company will not pay administrative fees to any group purchasing organization with respect to any Product purchased under this agreement.

2.25 Offer Expiration. Until fully executed, this agreement constitutes an offer that is valid until October 28, 2025. If the Customer does not sign and return this agreement by that date or if the Customer modifies the terms of this agreement before signing it, the Company may withdraw or modify this offer. This agreement is not valid until it has been signed by both parties.

Each party is signing this agreement as of the date stated below its signature.

The Company:

Johnson & Johnson Health Care Systems Inc.

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

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

The Customer:

Kern Medical Surgery Center LLC

By: \_\_\_\_\_

Name: Phil McLaughlin

Title: Chairman, Board of Managers

Date: August 20, 2025

REVIEWED ONLY  
NOT APPROVED AS TO FORM

By Shannon Hochstein  
Kern County Hospital Authority

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## SCHEDULE A: PRODUCTS AND PRICING

1. Price. Subject to the terms and conditions of this agreement, the Company shall offer the Products to the Customer at the discounts from List Price and prices stated on Schedule A1.

2. Revision Substitution.

(a) If, during a procedure for which there are no implants in the joint prior to the procedure being performed (a "Primary Procedure"), and for which construct pricing is otherwise available under this agreement but one or two revision components are substituted for a primary component that is listed in the Construct Detail for that construct, then the Customer shall pay the following: (i) for each revision component used during a Primary Procedure (limited to two components), an incremental amount equal to the difference in List Price between the revision component and the corresponding primary component, plus (ii) the construct price.

(b) If more than two revision components are substituted for a primary component that is listed in the Construct Detail for that construct during a Primary Procedure, then (i) construct pricing shall not be available, and (ii) the applicable component pricing, or the Discount pricing for the component under this agreement, will apply for each primary and revision component used during the procedure.

(c) The Company will determine the classification of a Product as a revision or primary component in its sole discretion.

3. Order; Purchase Orders. To receive the pricing for the Products available under this agreement, the Customer must purchase the Products directly from the Company or its affiliate. For orders placed with a local Company representative, the Customer must deliver a Purchase Order to the Company no later than the end of the business day immediately following the first to occur of the Product being opened or used.

4. Shipping and Delivery Terms. For Regular Orders, the Company shall pay the costs of ground shipping of Products. However, if placing an order for Products with delivery requested sooner, expedited shipment charges shall be invoiced to the requesting Customer. For Delivered Orders, the Customer may be invoiced an inventory processing fee for each order.

5. Adding or Removing Products. The Company may at its discretion add or remove Products from the Product Categories, Capitated Construct, or Capitated Component pricing listed on Schedule A1. If the Company replaces or upgrades a Product within a capitated construct listed in Schedule A1, the price of the construct shall not be revised at that time, unless the Company determines at its sole discretion that the new Product offers advantages over the prior Product..

6. Definitions. For purposes of this agreement, the following terms have the following meanings:

"List Price" means the following:

- (1) with respect to any Product included on Schedule A1 on the Effective Date, the January 15, 2025, price for a Product, as published by the Company;
- (2) with respect to any Product released by DePuy Synthes Joint Reconstruction after the January 15, 2025, price book, the DePuy Synthes Joint Reconstruction list price set as of the general United States release of the Product.

"Year" means each 12-month period of this agreement, beginning on the Effective Date or anniversary thereof.

7. Warranties. Any warranties provided by either the Company or any affiliate, as applicable, with respect to a given Product are as expressly provided in the labeling of that Product on purchase. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE FOREGOING DESCRIPTION INCLUDING, BUT NOT LIMITED TO, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

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**SCHEDULE A1: PRODUCTS AND PRICING**

<b>DISCOUNT PRICING</b>	
This Discount Percentage Table applies to all items not otherwise covered by Capitated Construct or Component Pricing	
<b>Product Description</b>	<b>Discounted Price</b>
HIPS - PRIMARY	50%
HIPS - REVISION	50%
HIPS - DISPOSABLES	50%
HIPS - INSTRUMENTS	50%
KNEES - PRIMARY	50%
KNEES - REVISION	50%
KNEES - DISPOSABLES	50%
KNEES - INSTRUMENTS	50%
SHOULDERS - PRIMARY	50%
SHOULDERS - REVISION	50%
SHOULDERS - DISPOSABLES	50%
SHOULDERS - INSTRUMENTS	50%
OR MED - DISPOSABLES	50%
OR MED - OR MED ENVIRONMENTAL	50%
OR MED - INSTRUMENT - GENERAL	50%

<b>INDIVIDUAL COMPONENT PRICING</b>			
This Individual Component Pricing table applies to all items not otherwise covered by Capitated Construct Pricing			
<b>Product Group</b>	<b>Product Number</b>	<b>Product Description</b>	<b>Discounted Price</b>
KNEES - DISPOSABLES	249095000	AMK FIXATION PINS 1/8 DIA X 3	\$95.00
KNEES - DISPOSABLES	950502072	HP QUICK DRILL PINS 6PK	\$178.00
KNEES - DISPOSABLES	950502088	HP THREADED PINS 6 PK	\$185.04
KNEES - DISPOSABLES	950502089	HP THREADED PINS HEADED 6 PK	\$198.59
KNEES - DISPOSABLES	950502300	HP STRL QUICK DRL PINS	\$257.00
KNEES - DISPOSABLES	950502302	HP STRL THREADED PINS	\$257.00
KNEES - DISPOSABLES	950502303	HP STRL THREADED PINS HEADED	\$257.00
KNEES - DISPOSABLES	254400111	ATTUNE SOLO PINNING SYSTEM	\$257.00
KNEES - DISPOSABLES	226708000	SMOOTH FIX PIN 1/8X2 1/2 PK/5	\$124.50
KNEES - DISPOSABLES	226712000	PW SMOOTH 3 INCH PINS (5 PACK)	\$142.00
KNEES - DISPOSABLES	217842010	PW QDRILL PIN PACK (6 PINS)	\$178.00
KNEES - DISPOSABLES	864192	PFCSTEINMN PIN/DRIL PAK STERIL	\$201.50

<b>CAPITATED COMPONENT PRICING</b>		
<b>Product Group</b>	<b>Product Description</b>	<b>Discounted Price</b>
HIPS - PRIMARY	Hips - STEM Cemented	\$1,800.00
HIPS - PRIMARY	Hips - STEM Porous-No Cement	\$2,650.00
HIPS - PRIMARY	Hips - STEM Porous-No Cement Dual Fixation	\$2,650.00
HIPS - PRIMARY	Hips - STEM Porous-No Cement Bone Preserving (AA)	\$2,650.00
HIPS - PRIMARY	Hips - STEM Porous-No Cement High Stability (AA)	\$2,650.00
HIPS - PRIMARY	Hips - STEM MODULAR SRom	\$2,100.00
HIPS - PRIMARY	Hips - SLEEVE MODULAR SRom	\$700.00

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CAPITATED COMPONENT PRICING		
Product Group	Product Description	Discounted Price
HIPS - PRIMARY	Hips - CUP Porous	\$1,150.00
HIPS - PRIMARY	Hips - CUP Gription	\$1,300.00
HIPS - PRIMARY	Hips - Shell Emphasys Gription S	\$1,400.00
HIPS - PRIMARY	Hips - LINER Marathon 22.225, 28, 32, 36mm	\$850.00
HIPS - PRIMARY	Hips - LINER AltrX 28, 32, 36mm	\$950.00
HIPS - PRIMARY	Hips - LINER Lg AltrX 40, 44, 48mm	\$950.00
HIPS - PRIMARY	HIPS - LINER AOX 22.225, 28, 32, 36MM	\$1,090.00
HIPS - PRIMARY	Hips - LINER Lg AOX 40mm	\$1,090.00
HIPS - PRIMARY	Hips - LINER Metal Pinnacle Dual Mobility	\$2,482.00
HIPS - PRIMARY	HIPS - LINER METAL EMPHASYS DUAL MOBILITY	\$2,482.00
HIPS - PRIMARY	HIPS - LINER AOX EMPHASYS DM MOBILE BEARING	\$1,200.00
HIPS - PRIMARY	Hips - HEAD Metal 22.225, 28mm	\$550.00
HIPS - PRIMARY	Hips - HEAD Metal 32, 36mm	\$550.00
HIPS - PRIMARY	Hips - HEAD Lg Metal 40, 44, 48mm	\$750.00
HIPS - PRIMARY	HIPS - HEAD CERAMIC ARTICUL/EZE 22.225, 28, 32, 36MM	\$1,200.00
HIPS - PRIMARY	Hips - HEAD Ceramic Delta (not TS) 28, 32, 36mm	\$1,200.00
HIPS - PRIMARY	HIPS - HEAD LG CERAMIC ARTICUL/EZE 40MM	\$1,400.00
HIPS - PRIMARY	Hips - HEAD Ceramic Delta TS 40, 44mm	\$1,400.00
HIPS - PRIMARY	Hips - ACC Acetab. Screw	\$137.50
HIPS - PRIMARY	Hips - BIMENTUM Acetab. Screw	\$275.00
HIPS - PRIMARY	Hips - ACC Apex Hole Eliminator	\$174.50
HIPS - PRIMARY	Hips - ACC Centralizer	\$102.00
KNEES - PRIMARY	Knees - FEMUR HP Uni	\$1,840.00
KNEES - PRIMARY	Knees - FEMUR Attune Cemented	\$1,800.00
KNEES - PRIMARY	Knees - FEMUR Attune Porous	\$2,100.00
KNEES - PRIMARY	Knees - INSERT Sigma HP Uni	\$1,000.00
KNEES - PRIMARY	Knees - INSERT Attune FB AOX	\$1,300.00
KNEES - PRIMARY	Knees - INSERT Attune MS FB AOX	\$1,400.00
KNEES - PRIMARY	Knees - INSERT Attune RP AOX	\$1,300.00
KNEES - PRIMARY	Knees - TRAY Sigma HP Uni All Poly	\$1,726.00
KNEES - PRIMARY	Knees - TRAY Sigma HP Uni Metal	\$1,160.00
KNEES - PRIMARY	Knees - TRAY Attune FB Cemented	\$1,150.00
KNEES - PRIMARY	Knees - TRAY Attune FB Porous	\$1,750.00
KNEES - PRIMARY	Knees - TRAY Attune RP Cemented	\$1,150.00
KNEES - PRIMARY	Knees - TRAY Attune RP Porous	\$1,750.00
KNEES - PRIMARY	Knees - PATELLA Attune All Poly Medial	\$500.00
KNEES - PRIMARY	Knees - PATELLA Attune All Poly Anatomic	\$500.00
KNEES - PRIMARY	KNEES - PATELLA ATTUNE AFFIXIUM DOME	\$755.00
KNEES - PRIMARY	KNEES - PATELLA ATTUNE AFFIXIUM ANATOMIC	\$755.00
SHOULDERS - PRIMARY	Shoulders - STEM INHANCE Short Stem	\$3,000.00
SHOULDERS - PRIMARY	Shoulders - STEM INHANCE Standard Stem	\$3,000.00
SHOULDERS - PRIMARY	Shoulders - STEM INHANCE Stemless	\$3,800.00
SHOULDERS - PRIMARY	Shoulders - SHELL +0 INHANCE	\$1,627.00
SHOULDERS - PRIMARY	Shoulders - SHELL +8 INHANCE	\$2,677.00
SHOULDERS - PRIMARY	Shoulders - HEAD INHANCE	\$1,285.00
SHOULDERS - PRIMARY	SHOULDERS - GLENOID INHANCE VE & SU INSERTER	\$1,415.00
SHOULDERS - PRIMARY	Shoulders - GLENOID INHANCE VE Porous MB & SU Inserter	\$1,586.00
SHOULDERS - PRIMARY	SHOULDERS - CONVERTIBLE GLENOID INHANCE VE	\$1,740.00
SHOULDERS - PRIMARY	Shoulders - ADAPTER INHANCE	\$200.00
SHOULDERS - PRIMARY	Shoulders - REVERSE LINER INHANCE VE Poly	\$1,171.00
SHOULDERS - PRIMARY	Shoulders - GLENOSPHERE INHANCE	\$1,578.00

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CAPITATED COMPONENT PRICING		
Product Group	Product Description	Discounted Price
SHOULDERS - PRIMARY	Shoulders - REVERSE BASEPLATE INHANCE	\$1,500.00
SHOULDERS - PRIMARY	Shoulders - BASEPLATE AND SCREW INHANCE R-SPEED	\$1,778.00
SHOULDERS - PRIMARY	Shoulders - SCREWS INHANCE - Central Screw	\$278.00
SHOULDERS - PRIMARY	Shoulders - SCREWS INHANCE - Locking & non Locking	\$139.00
SHOULDERS - PRIMARY	Shoulders - SELF DRILLING Locking SCREW 4-Pack INHANCE	\$556.00
BONE CEMENT	Bone cement - CMW 2 20G	\$45.00
BONE CEMENT	Bone cement - CMW 20G GENTAMICIN	\$165.00
BONE CEMENT	Bone cement - CMW 3 40G	\$55.00
BONE CEMENT	Bone cement - DEPUY1 GENTAMICIN CEMENT 40G	\$205.00
BONE CEMENT	Bone cement - GHV GENTAMICIN 40G	\$205.00
BONE CEMENT	Bone Cement - GMV GENTAMICIN 40G	\$205.00
BONE CEMENT	Bone cement - SMARTSET HV 20G	\$45.00
BONE CEMENT	Bone cement - SMARTSET HV 40g	\$55.00
BONE CEMENT	Bone cement - SMARTSET MV 20g	\$45.00
BONE CEMENT	Bone cement - SMARTSET MV 40g	\$55.00
BONE CEMENT ACCESSORIES	Bone Cement Accessories - PRISM II Mixing Cartridge	\$115.00
BONE CEMENT ACCESSORIES	Bone Cement Accessories - SMARTMIX CTS Bowls	\$60.00
BONE CEMENT ACCESSORIES	Bone Cement Accessories - SMARTMIX Mini	\$80.00
BONE CEMENT ACCESSORIES	Bone Cement Accessories - Smartmix Open Mixing Bowls	\$30.00
BONE CEMENT ACCESSORIES	Bone Cement Accessories - SMARTMIX Tower Cartridge	\$100.00

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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**

August 20, 2025

**Subject:** Proposed ASC Apex Pricing Program Agreement with Boston Scientific Corporation, an independent contractor, for the purchase of gastroenterology supplies

**Recommended Action:** Approve; Authorize Chairman to sign

**Summary:**

The Kern Medical Surgery Center requests that your Board approve the proposed ASC Apex Pricing Program Agreement for the purchase of gastroenterology supplies that will be used during various procedures performed at the Surgery Center. The proposed Agreement is for a term of three (3) years, effective August 28, 2025, with an estimated maximum payable of \$315,250.

Counsel is unable to approve due to non-standard terms and conditions which include payment for early termination, payment for failure to meet committed volume, vendor exclusivity, and no termination without cause. Efforts were made to negotiate these terms but to no avail.

Even with the non-standard terms and conditions, Kern Medical Surgery Center recommends that your Board approve the proposed ASC Apex Pricing Program Agreement for the purchase of gastroenterology supplies, effective August 28, 2025, for a term of three (3) years, with an estimated maximum payable of \$315,250, and authorize the Chairman to sign.



ASC Apex Pricing Program  
CONFIDENTIAL PRICE AGREEMENT  
Endoscopy

August 3, 2025

Account #: 590409  
Account Name: KERN MEDICAL SURGERY CENTER  
Address: 9300 STOCKDALE HWY STE 200  
City/State/Zip: BAKERSFIELD, CA 93311  
Territory Manager: Samantha Haseltine  
Contact: Susan Theresa Folks (Stevens)  
Telephone: (661) 964-2470 Main 2474 D

Boston Scientific Corporation ("BSC") is pleased to offer KERN MEDICAL SURGERY CENTER ("Customer") the opportunity to participate in BSC's ASC Apex Program ["Agreement"]. This Agreement provides for discounted pricing on BSC Endoscopy products, as listed in Schedule A, ASC Apex Pricing Program, as well as Schedule B, Additional Products.

Schedule A- ASC Apex Pricing Program  
Schedule B- Additional Products  
Schedule C- Terms and Conditions

By signing below, the parties agree to the terms and conditions of this Agreement, including attached schedules. This Agreement must be accepted by Customer and received in hand by Customer's BSC Territory Manager on or before 8/28/2025 to be binding. If not so accepted and received, this offer shall automatically terminate and expire at 12:00 midnight, Eastern Standard Time, on such date and be of no further force or effect.

Sincerely,

Samantha Haseltine

To: KERN MEDICAL SURGERY CENTER  
CUSTOMER'S ACCEPTANCE

BY: \_\_\_\_\_  
(Signature)

NAME: Phil McLaughlin

TITLE: Chairman, Board of Governors

DATE: August 20, 2025

ACCEPTANCE BY:  
BOSTON SCIENTIFIC CORPORATION

BY: \_\_\_\_\_  
(Signature)

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

**BSC Contract Office:**

Agreement Start Date: August 28, 2025

Agreement End Date: August 27, 2028

Customer agrees that the specified products are subject to Apex pricing and the Committed Volume Level determined herein in accordance with the Terms and Conditions attached hereto as Schedule C.

REVIEWED ONLY  
NOT APPROVED AS TO FORM  
By Shannon Hochstein  
Kern County Hospital Authority

PROGRAM COMMITMENT INFORMATION	
Year 1 Committed Volume:	\$100,000.00
Year 2 Committed Volume:	\$105,000.00
Year 3 Committed Volume:	\$110,250.00
Contract Term Committed Volume	\$315,250.00
Market Share Percentage:	Selected Tier
True-Up Payment Percentage:	30%
Term in Years:	3-Years

Pricing offered hereunder is expressly subject to Customer purchases during each Contract Year of this Agreement of no less than the applicable Contract Year Committed Volume Level of specified Covered Products as indicated in the Program Commitment Information Matrix above. In the event that Customer has not fulfilled its Contract Year Committed Volume Level of Covered Products at the time of conclusion of the then-current Contract Year, expiration of this Agreement or upon Customer's early termination of this Agreement, Customer shall be subject to a True-Up Payment based upon the difference between the applicable Committed Volume and Customer's actual dollar spend remaining upon the effective date of the conclusion of the then-current Contract Year, expiration or early termination of this Agreement as further described in the Terms and Conditions attached hereto. Boston Scientific will review Customer's purchases quarterly during the Term of this Agreement to review Customer's performance hereunder and will communicate its findings to Customer. If the evaluation demonstrates that it is improbable that Customer will fulfill the current Contract Year Committed Volume Level, Boston Scientific and Customer will re-negotiate the pricing and/or Contract Year Committed Volume Level to an appropriate level, provided such projected failure to meet Contract Year Committed Volume Level is not due to use of competitive product. If Boston Scientific is unable to supply Covered Products for an extended period of time due to a supply issue, or if Customer is unable to purchase Covered Products due to a decrease in procedural volume, loss of physician, physician technique, etc., Boston Scientific will work with Customer in good faith to adjust the Contract Year Committed Volume Level for the duration of such issues.

In addition to the Committed Volume Level noted above, Customer must maintain its selected Market Share Tier of Boston Scientific Endoscopy Products during the Term of this Agreement. "Market Share" as used herein means Customer's purchase of Boston Scientific Endoscopy Products as a percentage of its purchase of all like or comparable products from other suppliers, including its usage of free products or re-use of products from other suppliers. Boston Scientific shall review Customer's Market Share on a contract quarter (each consecutive three-month period) basis, and Customer agrees to provide Market Share validation data to Boston Scientific within five (5) business days of each contract quarter end. Failure to provide such data in the foregoing period shall result in Boston Scientific's reliance on its internal data to determine Market Share. Should any review indicate Customer has not achieved its Market Share Commitment level, Boston Scientific reserves the right to adjust pricing upon written notice, following a period to cure. Customer's adjusted pricing shall reflect the then-current pricing available to it under this Agreement.

During the Term, BSC reserves the right to add new products within the categories covered by this Agreement, upon launch and written notice to Customer. The addition of any new products with written notices shall not affect Customer's Committed Volume.

At the end of each contract year, BSC shall notify Customer if it has achieved the Contract Year Committed Volume. If there is a deficiency, Customer shall have thirty (30) days to place a gap order for Covered Products equaling the deficiency amount. If Customer fails to place such gap order, BSC may offset any amounts owed by Customer against any rebates owed to Customer for Endoscopy products and notify Customer of such in writing. Customer shall be invoiced for any remaining amount owed after such offset. If Customer has not paid the invoice for amounts owed within thirty (30) days of invoice date, BSC may terminate the Agreement, and Customer shall be invoiced for the True-Up Payment.

Customer agrees and acknowledges that BSC shall be designated as its primary supplier of Endoscopy products during the Term of this Agreement, excluding the use of like or comparable products from other suppliers as necessitated by patient need.

Information is confidential between Boston Scientific and KERN MEDICAL SURGERY CENTER

**To select Tier where indicated below:**

- Tier 1: 50 – 84.9% Market Share ☐  
 Tier 2: 85 – 94.9% Market Share ☐  
 Tier 3: 95%+ Market Share ☒

Upon the conclusion of each Contract Year Customer must submit an attestation form to BSC, verifying its then current Market Share. Should any such attestation form indicate Customer is not compliant with its then-current Market Share Tier, BSC shall update Customer's pricing to align with its qualifying Tier, as well as update the Committed Volume amounts for the following Contract Year(s), pro-rated based on the date of Customer's Tier change. Updates to Committed Volume shall also take place in the event of any quarterly pricing Tier changes. BSC shall provide prior written notification to Customer of these changes, allowing for a thirty (30) day period to cure. Committed Volume adjustments shall be in range of a 5% variance between Tiers 2 & 3, and a 25% variance between Tiers 1 and 2.

**SCHEDULE A**

**\*Products marked with an asterisk below shall be shipped at BSC's expense, via ground shipping. Products not marked shall be shipped at BSC's expense, three business day shipping.**

ASC APEX PROGRAM INFORMATION						
Item Number	Product Description	Unit of Measure	Tier 1 50-84.9%	Tier 2 85-94.9%	Tier 3 95%+	Freight Label
M00545101	AUTOCAP RX OLYMPUS (BOX 10)	BX 10	\$182.29	\$167.90	\$159.90	
M00545131	AUTOCAP RX EXALT MODEL D (BOX 10)	BX 10	\$182.29	\$167.90	\$159.90	
M00555501	Expect Slimline 19g EUS Needle BX/5	BX 5	\$1,036.26	\$954.45	\$909.00	
M00555521	Expect Slimline 25g EUS Needle BX/5	BX 5	\$1,036.26	\$954.45	\$909.00	
M00555511	Expect Slimline 22g EUS Needle BX/5	BX 5	\$1,036.26	\$954.45	\$909.00	
M00555641	ACQUIRE S EUS FNB NEEDLE 22G BOX 5	BX 5	\$1,852.50	\$1,706.25	\$1,625.00	
M00555661	ACQUIRE S EUS FNB NEEDLE 25G BOX 5	BX 5	\$1,852.50	\$1,706.25	\$1,625.00	
M00555541	Acquire EUS FNB Needle 22G Box 5	BX 5	\$1,852.50	\$1,706.25	\$1,625.00	
M00555561	Acquire EUS FNB Needle 25G Box 5	BX 5	\$1,852.50	\$1,706.25	\$1,625.00	
M00547480	WALLFLEX BILIARY RX FC STNT SYS 10X100	EA 1	\$2,736.00	\$2,520.00	\$2,400.00	
M00547460	WALLFLEX BILIARY RX FC STNT SYS 8X100	EA 1	\$2,736.00	\$2,520.00	\$2,400.00	
M00547440	WALLFLEX BILIARY RX PRT CVRED 10MMX100MM	EA 1	\$2,730.30	\$2,514.75	\$2,395.00	
M00547420	WALLFLEX BILIARY RX PART CVRED 8MMX100MM	EA 1	\$2,730.30	\$2,514.75	\$2,395.00	
M00513364	Radial Jaw 4 Jumbo 240cm BX 80	BX 80	\$1,094.40	\$1,008.00	\$960.00	*
M00513374	Radial Jaw 4 Jumbo w/NDL 240cm BX 80	BX 80	\$1,094.40	\$1,008.00	\$960.00	*
M00513304	Radial Jaw 4 LC 160cm BX 80	BX 80	\$592.80	\$546.00	\$520.00	*
M00513324	Radial Jaw 4 LC 240cm BX 80	BX 80	\$592.80	\$546.00	\$520.00	*
M00513334	Radial Jaw 4 LC w/NDL 240cm BX 80	BX 80	\$592.80	\$546.00	\$520.00	*
M00513314	RJ4 LC w/NDL 160cm BX 80	BX 80	\$592.80	\$546.00	\$520.00	*
M00513382	Radial Jaw 4 SC 160cm BX40	BX 40	\$228.00	\$210.00	\$200.00	*
M00513402	Radial Jaw 4 SC 240cm BX40	BX 40	\$228.00	\$210.00	\$200.00	*
M00513412	Radial Jaw 4 SC 240cm W/NDL BX40	BX 40	\$228.00	\$210.00	\$200.00	*
M00513392	Radial Jaw 4 SC 160cm W/NDL BX40	BX 40	\$228.00	\$210.00	\$200.00	*
M00522602	Resolution Clip 155cm BX/20	BX 20	\$2,166.00	\$1,995.00	\$1,900.00	
M00522612	Resolution Clip 235cm BX/20	BX 20	\$2,166.00	\$1,995.00	\$1,900.00	
M00521233	Resolution 360 Clip 235cm Box 40	BX 40	\$8,162.40	\$7,518.00	\$7,160.00	
M00521403	RESOLUTION 360 ULTRA CLIP 235CM BX40	BX 40	\$9,074.40	\$8,358.00	\$7,960.00	
M00542253	SPEEDBAND SUPERVIEW SUPER 7 BOX 4	BX 4	\$627.00	\$577.50	\$550.00	
M00560101	GOLD PROBE 10FR BOX/5	BX 5	\$681.72	\$627.90	\$598.00	
M00560071	GOLD PROBE 7FR BOX/5	BX 5	\$681.72	\$627.90	\$598.00	
M00521422	MANTIS 235CM BX20	BX 20	\$7,980.00	\$7,350.00	\$7,000.00	
M00505550	SUTURE CINCH - LONG 1PK	EA 1	\$208.05	\$191.63	\$182.50	
M00505500	X-TACK ENDO HELIX TACK SYS GASTRIC 1PK	EA 1	\$942.78	\$868.35	\$827.00	
M00505510	X-TACK ENDO HELIX TACK SYS COLONIC 1PK	EA 1	\$942.78	\$868.35	\$827.00	
M00550601	ALLIANCE INFLATION SYRINGE BX5	BX 5	\$166.21	\$153.09	\$145.80	
M00550630	CRE 60 cc Sterile Inflator Box 1	EA 1	\$40.70	\$37.49	\$35.70	
M00550620	ALLIANCE II INFLATION / LITHO DEVICE	EA 1	\$326.43	\$300.66	\$286.34	
M00558330	CRE 6-8MM 8CM F/G	EA 1	\$185.54	\$170.89	\$162.75	
M00558340	CRE 8-10MM 8CM F/G	EA 1	\$185.54	\$170.89	\$162.75	
M00558350	CRE 10-12MM 8CM F/G	EA 1	\$185.54	\$170.89	\$162.75	
M00558370	CRE 15-18MM 8CM F/G	EA 1	\$185.54	\$170.89	\$162.75	
M00558360	CRE 12-15MM 8CM F/G	EA 1	\$185.54	\$170.89	\$162.75	



M00558380	CRE 18-20MM 8CM F/G	EA 1	\$185.54	\$170.89	\$162.75	
M00558381	F/G CRE FIXED WIRE 5838-05 (BOX/5)	BX 5	\$755.93	\$696.26	\$663.10	
M00558361	F/G CRE FIXED WIRE 5836-05 (BOX/5)	BX 5	\$755.93	\$696.26	\$663.10	
M00558371	F/G CRE FIXED WIRE 5837-05 (BOX/5)	BX 5	\$755.93	\$696.26	\$663.10	
M00558640	CRE PRO WG 15-18mm 180cm	EA 1	\$213.69	\$196.82	\$187.45	
M00558630	CRE PRO WG 12-15mm 180cm	EA 1	\$213.69	\$196.82	\$187.45	
M00558650	CRE PRO WG 18-20mm 180cm	EA 1	\$213.69	\$196.82	\$187.45	
M00558600	CRE PRO WG 6-8mm 180cm	EA 1	\$213.69	\$196.82	\$187.45	
M00558610	CRE PRO WG 8-10mm 180cm	EA 1	\$213.69	\$196.82	\$187.45	
M00558620	CRE PRO WG 10-12mm 180cm	EA 1	\$213.69	\$196.82	\$187.45	
M00558700	CRE PRO WG 15-18mm 240cm	EA 1	\$213.69	\$196.82	\$187.45	
M00558710	CRE PRO WG 18-20mm 240cm	EA 1	\$213.69	\$196.82	\$187.45	
M00558660	CRE PRO WG 6-8mm 240cm	EA 1	\$213.69	\$196.82	\$187.45	
M00558690	CRE PRO WG 12-15mm 240cm	EA 1	\$213.69	\$196.82	\$187.45	
M00558680	CRE PRO WG 10-12mm 240cm	EA 1	\$213.69	\$196.82	\$187.45	
M00558670	CRE PRO WG 8-10mm 240cm	EA 1	\$213.69	\$196.82	\$187.45	
M00558420	CRE WG 12-15MM/180CM/5.5 F/G	EA 1	\$213.69	\$196.82	\$187.45	
M00558400	CRE WG 8-10MM/180CM/5.5 F/G	EA 1	\$213.69	\$196.82	\$187.45	
M00558410	CRE WG 10-12MM/180CM/5.5 F/G	EA 1	\$213.69	\$196.82	\$187.45	
M00558390	CRE WG 6-8MM/180CM/5.5 F/G	EA 1	\$213.69	\$196.82	\$187.45	
M00558430	CRE WG 15-18MM/180CM/5.5 F/G	EA 1	\$213.69	\$196.82	\$187.45	
M00558440	CRE WG 18-20MM/180CM/5.5 F/G	EA 1	\$213.69	\$196.82	\$187.45	
M00558460	CRE WG 8-10MM/240CM/5.5 F/G	EA 1	\$213.69	\$196.82	\$187.45	
M00558500	CRE WG 18-20MM/240CM/5.5 F/G	EA 1	\$213.69	\$196.82	\$187.45	
M00558490	CRE WG 15-18MM/240CM/5.5 F/G	EA 1	\$213.69	\$196.82	\$187.45	
M00558470	CRE WG 10-12MM/240CM/5.5 F/G	EA 1	\$213.69	\$196.82	\$187.45	
M00558480	CRE WG 12-15MM/240CM/5.5 F/G	EA 1	\$213.69	\$196.82	\$187.45	
M00558450	CRE WG 6-8MM/240CM/5.5 F/G	EA 1	\$213.69	\$196.82	\$187.45	
M00546620	AUTOLITH TOUCH EHL PROBE - SPYGLASS DS	EA 1	\$489.06	\$450.45	\$429.00	
ESS-G02-160	OVERSTITCH ENDOSCOPIC SUTURE SYS 3PK	BX 3	\$4,360.50	\$4,016.25	\$3,825.00	
ESS-G02-SX1	OVERSTITCH SX ENDOSCOPIC SUTURE SYS 3PK	BX 3	\$5,454.90	\$5,024.25	\$4,785.00	
M00505451	OVERSTITCH 2-0 POLYPROPYLENE SUTURE 12PK	BX 12	\$884.64	\$814.80	\$776.00	
M00505530	OVERSTITCH SUTURE CINCH 1PK	EA 1	\$189.05	\$174.12	\$165.83	
THX-165-028	OVERSTITCH TISSUE HELIX 6PK	BX 6	\$1,476.30	\$1,359.75	\$1,295.00	
OVT-027-160	OVERTUBE ENDOSCOPIC ACCESS SYSTEM 3PK	BX 3	\$792.30	\$729.75	\$695.00	
ES26165-3	ENSIZOR ENDO SCISSORS 2.6MM X 165CM 3PK	BX 3	\$1,248.30	\$1,149.75	\$1,095.00	
NXT-THXP-130	NXT TISSUE HELIX PRO 6PK	BX 6	\$1,817.16	\$1,673.70	\$1,594.00	
ESS-G02-NXT	OVERSTITCH NXT ENDOSCOPIC SUTURE SYS 3PK	BX 3	\$11,853.72	\$10,917.90	\$10,398.00	
B-4800	ORBERA 6 MONTH US ONLY BALLOON	EA 1	\$1,425.00	\$1,312.50	\$1,250.00	
M00517760	AGILE ESO OTW FC 23MM X 10.1CM IN 18.5 F	EA 1	\$3,306.00	\$3,045.00	\$2,900.00	
M00517770	AGILE ESO OTW FC 23MM X 12.0CM IN 18.5 F	EA 1	\$3,306.00	\$3,045.00	\$2,900.00	
M00517750	AGILE ESO OTW FC 23MM X 6.2CM IN 18.5 FR	EA 1	\$3,306.00	\$3,045.00	\$2,900.00	
M00517780	AGILE ESO OTW FC 23MM X 15.0CM IN 18.5 F	EA 1	\$3,306.00	\$3,045.00	\$2,900.00	
M00517720	AGILE ESO OTW PC 23MM X 10.1CM IN 18.5 F	EA 1	\$3,306.00	\$3,045.00	\$2,900.00	
M00517730	AGILE ESO OTW PC 23MM X 12.0CM IN 18.5 F	EA 1	\$3,306.00	\$3,045.00	\$2,900.00	
M00517740	AGILE ESO OTW PC 23MM X 15.0CM IN 18.5 F	EA 1	\$3,306.00	\$3,045.00	\$2,900.00	
M00517710	AGILE ESO OTW PC 23MM X 6.2CM IN 18.5 FR	EA 1	\$3,306.00	\$3,045.00	\$2,900.00	
CEK-200-20	KIT 1.1+ DE 2GOWNS AAMI LVL 3 BX20	BX 20	\$227.09	\$209.16	\$199.20	*
CEK-102-20	KIT 1GOWN AAMI LVL3 BX20	BX 20	\$135.89	\$125.16	\$119.20	*
CEK-218-20	KIT 2.0 6FT SYR 2GOWNS AAMI LVL3 BX20	BX 20	\$274.97	\$253.26	\$241.20	*
CEK-227-20	KIT 1.1 DE 6FT 2GOWNS AAMI LVL3 BX20	BX 20	\$249.89	\$230.16	\$219.20	*
CEK-238-20	KIT 1.1+ DE WJC 2GOWNS AAMI LVL3 BX20	BX 20	\$261.29	\$240.66	\$229.20	*
CEK-214-20	KIT 1.1+ DB 2GOWNS AAMI LVL3 BX20	BX 20	\$243.05	\$223.86	\$213.20	*
CEK-222-20	KIT 2.0 DE 2GOWNS AAMI LVL3 BX20	BX 20	\$261.29	\$240.66	\$229.20	*
CEK-241-20	KIT 2.0 DB 10FT 2GOWNS AAMI LVL3 BX20	BX 20	\$290.93	\$267.96	\$255.20	*
CEK-2722-20	KIT CA 1.1+ DE 2GOWN AAMI LVL3 BX20	BX 20	\$295.26	\$271.95	\$259.00	*
CEK-1016-20	KIT NO CP 1.1+ DE BIOPSY WJC BX20	BX 20	\$143.41	\$132.09	\$125.80	*
CEK-1025-20	KIT 2SAFESTART 1.1+ 10FT BX20	BX 20	\$158.69	\$146.16	\$139.20	*
CEK-1028-20	KIT 1.1+ DE WJC 10FT BX20	BX 20	\$176.70	\$162.75	\$155.00	*
CEK-721-20	KIT 1.1+ DE BX20	BX 20	\$119.47	\$110.04	\$104.80	*
CEK-983-20	KIT NO CP 1.1+ DE BX20	BX 20	\$75.99	\$69.99	\$66.66	*
CEK-994-20	KIT 16P 2.0 DB BX20	BX 20	\$158.46	\$145.95	\$139.00	*
CEK-999-20	KIT BLUE 1.1+ DE BITEBLOCK BIOPSY BX20	BX 20	\$149.34	\$137.55	\$131.00	*
CEK-1001-20	KIT 4P 1.1+ DE BIOPSY 6FT BX20	BX 20	\$159.60	\$147.00	\$140.00	*

KS-16-20	COLON KIT ENDOGLIDE 1.1OZ-NO BRUSH BX20	BX 20	\$119.70	\$110.25	\$105.00	*
KS-3-20	COLON KIT ENDOGLIDE 2.0OZ DBLEEND BX20	BX 20	\$139.08	\$128.10	\$122.00	*
CEK-1005-20	KIT 20GZ 1.1+ BX20	BX 20	\$102.60	\$94.50	\$90.00	*
CEK-1011-20	KIT DB 6FT BX20	BX 20	\$142.50	\$131.25	\$125.00	*
CEK-798-20	KIT 1.1+ 6FT BX20	BX 20	\$126.54	\$116.55	\$111.00	*
CEK-841-20	KIT BLUE 2.0 DE BX20	BX 20	\$153.90	\$141.75	\$135.00	*
CEK-858-20	KIT 1.1+ DE BIOPSY BX20	BX 20	\$136.80	\$126.00	\$120.00	*
CEK-896-20	KIT 1.1+ DE BIOPSY 6FT BX20	BX 20	\$159.60	\$147.00	\$140.00	*
CEK-928-20	KIT BOWL 1.1+ WJC BX20	BX 20	\$111.72	\$102.90	\$98.00	*
CEK-1746-20	KIT CA 1.1+ BX20	BX 20	\$170.77	\$157.29	\$149.80	*
CEK-1721-20	KIT CA 1.1+ DE BX20	BX 20	\$187.64	\$172.83	\$164.60	*
CEK-1724-20	KIT CA 1.1+ DB BX20	BX 20	\$203.83	\$187.74	\$178.80	*
CEK-2723-20	KIT CA 1.1+ DE 3GOWN AAMI LVL3 BX20	BX 20	\$349.07	\$321.51	\$306.20	*
CEK-311-20	KIT 2.0 DE 3GOWNS AAMI LVL3 BX20	BX 20	\$321.94	\$296.52	\$282.40	*
CEK-225-20	BIOPSY 1.1 DE 6FT 2GOWNS AAMI LVL3 BX20	BX 20	\$266.99	\$245.91	\$234.20	*
CEK-231-20	KIT BLUE 2.0 DE BB 2GOWNS AAMI LVL3 BX20	BX 20	\$273.83	\$252.21	\$240.20	*
CEK-300-20	KIT 1.1+ DE 3GOWNS AAMI LVL3 BX20	BX 20	\$280.90	\$258.72	\$246.40	*
CEK-201-20	KIT 1.1+ DE 10FT 2GOWNS AAMI LVL3 BX20	BX 20	\$249.89	\$230.16	\$219.20	*
CEK-212-20	KIT 1.1+ DE BIOPSY 2GOWNS AAMI LVL3 BX20	BX 20	\$249.89	\$230.16	\$219.20	*
CEK-216-20	KIT 1.1+ 6FT 2GOWNS AAMI LVL3 BX20	BX 20	\$232.79	\$214.41	\$204.20	*
CEK-224-20	KIT 2.0 DB 6FT 2GOWNS AAMI LVL3 BX20	BX 20	\$290.93	\$267.96	\$255.20	*
CEK-207-20	KIT 1.1+ 2GOWNS AAMI LVL3 BX20	BX 20	\$209.99	\$193.41	\$184.20	*
CEK-215-20	KIT 2.0 10FT 2GOWNS AAMI LVL3 BX20	BX 20	\$268.13	\$246.96	\$235.20	*
CEK-302-20	KIT 1.1+ DE BB 3GOWNS AAMI LVL3 BX20	BX 20	\$326.50	\$300.72	\$286.40	*
CEK-840-20	KIT BLUE 1.1+ DB BX20	BX 20	\$135.66	\$124.95	\$119.00	*
CEK-846-20	KIT 1.1+ DE SYR BX20	BX 20	\$142.50	\$131.25	\$125.00	*
CEK-852-20	KIT 2.0 DE 6FT BX20	BX 20	\$176.70	\$162.75	\$155.00	*
CEK-854-20	KIT 1.1+ DE 10FT BX20	BX 20	\$142.50	\$131.25	\$125.00	*
CEK-736-20	KIT 1.1+ DB BITEBLOCK BX20	BX 20	\$176.70	\$162.75	\$155.00	*
CEK-747-20	KIT DE BX20	BX 20	\$114.00	\$105.00	\$100.00	*
CEK-767-20	KIT 1.1+ DE WJC BX20	BX 20	\$153.90	\$141.75	\$135.00	*
CEK-768-20	KIT 1.1+ DB WJC BX20	BX 20	\$169.86	\$156.45	\$149.00	*
CEK-791-20	KIT 16P 1.1+ DE 6FT BX20	BX 20	\$143.64	\$132.30	\$126.00	*
CEK-792-20	KIT 16P 1.1+ DE 10FT BX20	BX 20	\$143.64	\$132.30	\$126.00	*
CEK-848-20	KIT 2.0 DE SYR BX20	BX 20	\$176.70	\$162.75	\$155.00	*
CEK-853-20	KIT 1.1+ DE NO CP 6FT BX20	BX 20	\$155.95	\$143.64	\$136.80	*
CEK-938-20	KIT 1.1+ BIOP 10FT BX20	BX 20	\$142.50	\$131.25	\$125.00	*
CEK-847-20	KIT 1.1+ DB SYR BX20	BX 20	\$158.46	\$145.95	\$139.00	*
CEK-856-20	KIT 2.0 DE 10FT BX20	BX 20	\$176.70	\$162.75	\$155.00	*
CEK-874-20	KIT 2.0 BIOPSY WJC 10FT BX20	BX 20	\$188.10	\$173.25	\$165.00	*
CEK-957-20	KIT 16P 1.1+ BX20	BX 20	\$102.60	\$94.50	\$90.00	*
CEK-984-20	KIT BOWL 1.1+ DE BX20	BX 20	\$109.44	\$100.80	\$96.00	*
CEK-770-20	KIT 2.0 DB WJC BX20	BX 20	\$193.80	\$178.50	\$170.00	*
CEK-803-20	KIT 1.1+ BIOPSY BX20	BX 20	\$125.40	\$115.50	\$110.00	*
CEK-921-20	KIT 1.1+ BIOP WJC BX20	BX 20	\$171.00	\$157.50	\$150.00	*
CEK-936-20	KIT BLUE BOWL 1.1+ BX20	BX 20	\$77.52	\$71.40	\$68.00	*
CEK-976-20	KIT 16P DB BX20	BX 20	\$119.70	\$110.25	\$105.00	*
CEK-799-20	KIT 1.1+ 10FT BX20	BX 20	\$126.54	\$116.55	\$111.00	*
CEK-802-20	KIT 1.1+ WJC BX20	BX 20	\$142.50	\$131.25	\$125.00	*
CEK-839-20	KIT BLUE 1.1+ DE BX20	BX 20	\$119.70	\$110.25	\$105.00	*
CEK-859-20	KIT 1.1+ DB BIOPSY BX20	BX 20	\$152.76	\$140.70	\$134.00	*
CEK-930-20	KIT 1.1+ BIOP 6FT BX20	BX 20	\$142.50	\$131.25	\$125.00	*
CEK-986-20	KIT 1.1+ DE SYR 10FT BX20	BX 20	\$166.44	\$153.30	\$146.00	*
CEK-1007-20	KIT 1.1+ BITEBLOCK BX20	BX 20	\$115.14	\$106.05	\$101.00	*
CEK-727-20	KIT 2.0 DE BX20	BX 20	\$153.90	\$141.75	\$135.00	*
CEK-730-20	KIT 2.0 DB BX20	BX 20	\$159.60	\$147.00	\$140.00	*
CEK-766-20	KIT 2.0 DB BIOPSY BX20	BX 20	\$176.70	\$162.75	\$155.00	*
CEK-733-20	KIT 1.1+ DE BITEBLOCK BX20	BX 20	\$159.60	\$147.00	\$140.00	*
CEK-746-20	KIT 1.1+ BX20	BX 20	\$102.60	\$94.50	\$90.00	*
CEK-795-20	KIT 16P 1.1+ DE WJC BX20	BX 20	\$158.46	\$145.95	\$139.00	*
CEK-844-20	KIT 16P 1.1+ DB BX20	BX 20	\$135.66	\$124.95	\$119.00	*
CEK-851-20	KIT 1.1+ DB 6FT BX20	BX 20	\$158.46	\$145.95	\$139.00	*
CEK-857-20	KIT 2.0 DB 10FT BX20	BX 20	\$182.40	\$168.00	\$160.00	*
CEK-860-20	KIT 2.0 DB BIOPSY BX20	BX 20	\$171.00	\$157.50	\$150.00	*

CEK-949-20	KIT BLUE BITEBLOCK BX20	BX 20	\$94.62	\$87.15	\$83.00	*
CEK-307-20	KIT 1.1+ DB 3GOWNS AAMI LVL3 BX20	BX 20	\$301.42	\$277.62	\$264.40	*
CEK-100-20	KIT 1.1 DE 6FT 1GOWN AAMI LVL3 BX20	BX 20	\$196.31	\$180.81	\$172.20	*
CEK-233-20	KIT 2.0 DB 2GOWNS AAMI LVL3 BX20	BX 20	\$268.13	\$246.96	\$235.20	*
CEK-306-20	KIT 1.1+ DE WJC 3GOWNS AAMI LVL3 BX20	BX 20	\$315.10	\$290.22	\$276.40	*
CEK-204-20	KIT 20GZ 1.1+ 6FT 2GOWNS AAMI LVL3 BX20	BX 20	\$224.58	\$206.85	\$197.00	*
CEK-229-20	KIT DB 6FT 2GOWNS AAMI LVL3 BX20	BX 20	\$249.89	\$230.16	\$219.20	*
CEK-244-20	KIT 1.1+ DE + BB + 2GOWNS AAMI LVL3 BX20	BX 20	\$268.13	\$246.96	\$235.20	*
CEK-304-20	KIT 1.1+ DE 10FT 3GOWNS AAMI LVL3 BX20	BX 20	\$303.70	\$279.72	\$266.40	*
CEK-308-20	KIT 1.1+ 6FT 3GOWNS AAMI LVL3 BX20	BX 20	\$286.60	\$263.97	\$251.40	*
CEK-309-20	KIT 1.1+ DE BIOPSY 3GOWNS AAMI LVL3 BX20	BX 20	\$303.70	\$279.72	\$266.40	*
CEK-312-20	KIT 1.1+ BIOP 6FT 3GOWNS AAMI LVL3 BX20	BX 20	\$303.70	\$279.72	\$266.40	*
CEK-724-20	KIT 1.1+ DB BX20	BX 20	\$135.66	\$124.95	\$119.00	*
CEK-775-20	KIT 1.1+ DE BIOPSY WJC BX20	BX 20	\$171.00	\$157.50	\$150.00	*
KS-5-20	COLON KIT ENDOGLIDE 2.0OZ DUALEND BX20	BX 20	\$143.64	\$132.30	\$126.00	*
CEK-776-20	KIT 1.1+ DB BIOPSY WJC BX20	BX 20	\$186.96	\$172.20	\$164.00	*
CEK-835-20	KIT 2.0 10FT BX20	BX 20	\$140.22	\$129.15	\$123.00	*
CEK-843-20	KIT 16P 1.1+ DE BX20	BX 20	\$119.70	\$110.25	\$105.00	*
CEK-845-20	KIT 16P 2.0 DE BX20	BX 20	\$153.90	\$141.75	\$135.00	*
CEK-849-20	KIT 2.0 DB SYR BX20	BX 20	\$182.40	\$168.00	\$160.00	*
CEK-850-20	KIT 1.1+ DE 6FT BX20	BX 20	\$142.50	\$131.25	\$125.00	*
CEK-855-20	KIT 1.1+ DB 10FT BX20	BX 20	\$158.46	\$145.95	\$139.00	*
SIK-243-24	SAFESTART BEDSIDE CLEAN KIT CINCHPADBX24	BX 24	\$82.90	\$76.36	\$72.72	*
SIK-242-24	SAFESTART BEDSIDE CLEAN KIT BX24	BX 24	\$65.01	\$59.88	\$57.03	*
CEK-202-20	OP3 KIT 1.1+ 2GOWNS AAMI LVL3 BX20	BX 20	\$370.73	\$341.46	\$325.20	*
CEK-209-20	OP3 KIT 2.0 DE 2GOWNS AAMI LVL3 BX20	BX 20	\$439.13	\$404.46	\$385.20	*
CEK-213-20	OP4 KIT 2.0 2GOWNS AAMI LVL3 BX20	BX 20	\$352.49	\$324.66	\$309.20	*
CEK-234-20	OP3 KIT 1.1+ DE 2GOWNS AAMI LVL3 BX20	BX 20	\$404.93	\$372.96	\$355.20	*
CEK-235-20	OP3 KIT 1.1+ DB 2GOWNS AAMI LVL3 BX20	BX 20	\$420.89	\$387.66	\$369.20	*
CEK-242-20	OP4 NO SPG 6FT 2GOWNS AAMI LVL3 BX20	BX 20	\$450.76	\$415.17	\$395.40	*
CEK-205-20	OP4 1.1+ DE 10FT 2GOWNS AAMI LVL3 BX20	BX 20	\$444.83	\$409.71	\$390.20	*
CEK-223-20	OP3 1.1 DE 10FT 2GOWNS AAMI LVL3 BX20	BX 20	\$404.93	\$372.96	\$355.20	*
CEK-236-20	OP4 2.0 DB 10FT 2GOWNS AAMI LVL3 BX20	BX 20	\$484.73	\$446.46	\$425.20	*
CEK-2808-20	OP4 CA KIT 1.1+ DE 10FT 2GN AAMI L3 BX20	BX 20	\$513.00	\$472.50	\$450.00	*
CEK-2867-20	OP3 CA KIT 1.1+ 2GOWN AAMI LVL3 BX20	BX 20	\$438.90	\$404.25	\$385.00	*
CEK-2901-20	OP4 CA KIT 1.1+ DE 2GOWN AAMI LVL3 BX20	BX 20	\$495.90	\$456.75	\$435.00	*
CEK-103-20	OP3 KIT 1.1 DB 10FT 1GOWN AAMI LVL3 BX2	BX 20	\$323.30	\$297.78	\$283.60	*
CEK-220-20	OP4 BOWL 2.0 6FT 2GOWNS AAMI LVL3 BX20	BX 20	\$426.82	\$393.12	\$374.40	*
CEK-232-20	OP4 2.0 DB 6FT 2GOWNS AAMI LVL3 BX20	BX 20	\$484.73	\$446.46	\$425.20	*
CEK-237-20	OP4 KIT 1.1+ DE 2GOWNS AAMI LVL3 BX20	BX 20	\$440.27	\$405.51	\$386.20	*
CEK-793-20	OP4 KIT 16P 1.1+ DE 6FT BX20	BX 20	\$337.44	\$310.80	\$296.00	*
CEK-1013-20	OP4 KIT NO CP 2.0 DB + 10FT BX20	BX 20	\$339.72	\$312.90	\$298.00	*
CEK-1021-20	OP4 KIT 2.0 DE 12FT SYR BX20	BX 20	\$401.28	\$369.60	\$352.00	*
CEK-786-20	OP4 KIT 2.0 DB 6FT SYR BX20	BX 20	\$377.34	\$347.55	\$331.00	*
CEK-787-20	OP4 KIT 1.1+ DE 10FT SYR BX20	BX 20	\$337.44	\$310.80	\$296.00	*
CEK-797-20	O KIT 16P 1.1+ DE BX20	BX 20	\$298.68	\$275.10	\$262.00	*
CEK-801-20	OP4 KIT 1.1+ 10FT BX20	BX 20	\$331.74	\$305.55	\$291.00	*
CEK-825-20	OP3 KIT 4P 2.0 BX20	BX 20	\$298.68	\$275.10	\$262.00	*
CEK-868-20	OP4 KIT 16P 1.1+ 6FT BX20	BX 20	\$331.74	\$305.55	\$291.00	*
CEK-904-20	OP4 KIT NO SPONGE 1.1+ BX20	BX 20	\$278.16	\$256.20	\$244.00	*
CEK-910-20	OP4 KIT NO CP 2.0 DB 6FT BX20	BX 20	\$339.72	\$312.90	\$298.00	*
CEK-912-20	O KIT NO SPONGE 1.1+ WJC BX20	BX 20	\$290.70	\$267.75	\$255.00	*
CEK-924-20	OP4 KIT 1.1+ DE 10FT BX20	BX 20	\$314.64	\$289.80	\$276.00	*
CEK-929-20	O KIT BOWL 1.1+ WJC BX20	BX 20	\$290.70	\$267.75	\$255.00	*
CEK-952-20	OP3 KIT 2.0+ DE BX20	BX 20	\$331.74	\$305.55	\$291.00	*
CEK-975-20	O KIT 16P DE BX20	BX 20	\$292.98	\$269.85	\$257.00	*
CEK-980-20	OP4 KIT 1.1+ BX20	BX 20	\$303.24	\$279.30	\$266.00	*
CEK-1002-20	OP4 KIT NO CP 1.1+ DE BX20	BX 20	\$292.75	\$269.64	\$256.80	*
CEK-1009-20	OP4 20GZ KIT 1.1+ DE 2 SPNG BX20	BX 20	\$426.36	\$392.70	\$374.00	*
CEK-1023-20	OP4 KIT 2.0 DE 12FT BB SYR BX20	BX 20	\$413.82	\$381.15	\$363.00	*
CEK-789-20	OP4 KIT 2.0 DE 10FT SYR BX20	BX 20	\$371.64	\$342.30	\$326.00	*
CEK-942-20	OP3 KIT BLUE 1.1+ BITEBLOCK BX20	BX 20	\$292.98	\$269.85	\$257.00	*
CEK-943-20	OP4 KIT NO CP 1.1+ 10FT SYR BX20	BX 20	\$307.57	\$283.29	\$269.80	*
CEK-955-20	OP3 KIT 16P 2.0+ DE BITEBLOCK 12FT BX20	BX 20	\$367.08	\$338.10	\$322.00	*

CEK-1018-20	OP4 NO CP KIT 1.1+ 6FT BX20	BX 20	\$283.63	\$261.24	\$248.80	*
CEK-1024-20	OP4 BOWL KIT 2.0 10FT SYR BX20	BX 20	\$343.37	\$316.26	\$301.20	*
CEK-794-20	OP4 KIT 16P 1.1+ DE 10FT BX20	BX 20	\$337.44	\$310.80	\$296.00	*
CEK-832-20	OP4 KIT 1.1 + DE 2 BOWL 12FT BX20	BX 20	\$352.72	\$324.87	\$309.40	*
CEK-771-20	O KIT 1.1+ DE BX20	BX 20	\$298.68	\$275.10	\$262.00	*
CEK-783-20	OP4 KIT 1.1+ DE 6FT SYR BX20	BX 20	\$337.44	\$310.80	\$296.00	*
CEK-873-20	OP4 KIT 1.1+ DE BITEBLOCK	BX 20	\$332.88	\$306.60	\$292.00	*
CEK-875-20	OP4 KIT 1.1+ DE 6FT BX20	BX 20	\$314.64	\$289.80	\$276.00	*
CEK-884-20	OP4 KIT 2.0+ 6FT SYR BX20	BX 20	\$371.90	\$342.54	\$326.23	*
CEK-1012-20	OP4 KIT NO CP 2.0 BX20	BX 20	\$279.30	\$257.25	\$245.00	*
CEK-1015-20	OP4 KIT 1.1+ 10FT SYR BX20	BX 20	\$349.98	\$322.35	\$307.00	*
CEK-773-20	O KIT 2.0 DE BX20	BX 20	\$332.88	\$306.60	\$292.00	*
CEK-11021-20	OP4 CA KIT 2.0 DE 12FT BX20	BX 20	\$469.45	\$432.39	\$411.80	*
CEK-1780-20	OP3 CA KIT 1.1+ DB BX20	BX 20	\$387.37	\$356.79	\$339.80	*
CEK-1800-20	OP4 CA KIT 1.1+ 6FT BX20	BX 20	\$399.91	\$368.34	\$350.80	*
CEK-1866-20	OP4 CA KIT 1.1+ DE BX20	BX 20	\$388.51	\$357.84	\$340.80	*
CEK-1929-20	O CA KIT BOWL 1.1+ WJC BX20	BX 20	\$358.87	\$330.54	\$314.80	*
CEK-1987-20	OP4 CA KIT BLUE 1.1+ DE BX20	BX 20	\$388.51	\$357.84	\$340.80	*
CEK-1880-20	O CA KIT 1.1+ DB WJC BX20	BX 20	\$417.01	\$384.09	\$365.80	*
CEK-1924-20	OP4 CA KIT 1.1+ DE 10FT BX20	BX 20	\$382.81	\$352.59	\$335.80	*
CEK-1779-20	OP3 CA KIT 1.1+ DE BX20	BX 20	\$371.41	\$342.09	\$325.80	*
CEK-1865-20	OP4 CA KIT 1.1+ BX20	BX 20	\$371.41	\$342.09	\$325.80	*
CEK-1877-20	OP3 CA KIT 1.1+ BX20	BX 20	\$348.61	\$321.09	\$305.80	*
CEK-1871-20	OP3 CA KIT 1.1+ BX20	BX 20	\$348.61	\$321.09	\$305.80	*
CEK-1875-20	OP4 CA KIT 1.1+ DE 6FT BX20	BX 20	\$411.31	\$378.84	\$360.80	*
CEK-1892-20	OP4 CA KIT 2.0 10FT BX20	BX 20	\$412.45	\$379.89	\$361.80	*
CEK-1787-20	OP4 CA KIT 1.1+ DE 10FT SYR BX20	BX 20	\$405.61	\$373.59	\$355.80	*
CEK-1982-20	OP4 CA KIT 2.0 BX20	BX 20	\$389.65	\$358.89	\$341.80	*
CEK-1801-20	OP4 CA KIT 1.1+ 10FT BX20	BX 20	\$399.91	\$368.34	\$350.80	*
CEK-1872-20	OP4 CA KIT 16P 2.0 DE BX20	BX 20	\$422.71	\$389.34	\$370.80	*
CEK-1876-20	OP4 CA KIT 1.1+ DB BX20	BX 20	\$404.47	\$372.54	\$354.80	*
CEK-101-20	OP4 KIT 1.1+ DE 1GOWN AAMI LVL3 BX20	BX 20	\$374.15	\$344.61	\$328.20	*
CEK-219-20	OP4 KIT 1.1+ DB 2GOWNS AAMI LVL3 BX20	BX 20	\$443.69	\$408.66	\$389.20	*
CEK-221-20	O KIT 1.1+ 2GOWNS AAMI LVL3 BX20	BX 20	\$388.97	\$358.26	\$341.20	*
CEK-243-20	OP3 1.1+ DE BB 2GOWNS AAMI LVL3 BX20	BX 20	\$417.47	\$384.51	\$366.20	*
CEK-305-20	OP4 KIT 1.1 DE 6FT 3GOWNS AAMI LVL3 BX20	BX 20	\$498.64	\$459.27	\$437.40	*
CEK-206-20	OP4 KIT 1.1 DE 6FT 2GOWNS AAMI LVL3 BX20	BX 20	\$444.83	\$409.71	\$390.20	*
CEK-226-20	OP4 2.0 DE 12FT 2GOWNS AAMI LVL3 BX20	BX 20	\$508.67	\$468.51	\$446.20	*
CEK-239-20	OP4 BOWL 1.1 10FT 2GOWNS AAMI LVL3 BX20	BX 20	\$433.43	\$399.21	\$380.20	*
CEK-240-20	OP4 DE 12FT BB SYR 2GOWNS AAMI LVL3 BX20	BX 20	\$521.21	\$480.06	\$457.20	*
CEK-310-20	OP4 KIT 2.0+ 6FT 3GOWNS AAMI LVL3 BX20	BX 20	\$448.70	\$413.28	\$393.60	*
CEK-228-20	OP4 KIT 1.1 DB 6FT 2GOWNS AAMI LVL3 BX20	BX 20	\$466.49	\$429.66	\$409.20	*
CEK-301-20	OP4 1.1 DE 10FT 3GOWNS AAMI LVL3 BX20	BX 20	\$498.64	\$459.27	\$437.40	*
CEK-886-20	O KIT 1.1+ DE WJC BX20	BX 20	\$332.88	\$306.60	\$292.00	*
CEK-893-20	OP3 KIT 2.0 DE 6FT BX20	BX 20	\$353.40	\$325.50	\$310.00	*
CEK-900-20	O KIT 1.1+ WJC 10FT BX20	BX 20	\$338.58	\$311.85	\$297.00	*
CEK-935-20	OP3 KIT 2.0+ DB SYR BX20	BX 20	\$384.18	\$353.85	\$337.00	*
CEK-940-20	OP3 KIT BLUE 1.1+ BX20	BX 20	\$280.44	\$258.30	\$246.00	*
CEK-946-20	OP4 KIT 16P 2.0 DE 12FT BX20	BX 20	\$377.34	\$347.55	\$331.00	*
CEK-781-20	OP3 KIT 2.0 DE BX20	BX 20	\$337.44	\$310.80	\$296.00	*
CEK-872-20	OP4 KIT 16P 2.0 DE BX20	BX 20	\$354.54	\$326.55	\$311.00	*
CEK-891-20	OP3 KIT 1.1+ 10FT SYR BX20	BX 20	\$327.18	\$301.35	\$287.00	*
CEK-898-20	O KIT 1.1+ 6FT BX20	BX 20	\$304.38	\$280.35	\$267.00	*
CEK-919-20	OP4 KIT BOWL 1.1+ DE 6FT BX20	BX 20	\$352.72	\$324.87	\$309.40	*
CEK-945-20	OP3 KIT NO CP 16P 1.1+ DE BX20	BX 20	\$269.95	\$248.64	\$236.80	*
CEK-800-20	OP4 KIT 1.1+ 6FT BX20	BX 20	\$331.74	\$305.55	\$291.00	*
CEK-866-20	OP4 KIT 1.1+ DE BX20	BX 20	\$320.34	\$295.05	\$281.00	*
CEK-877-20	OP3 KIT 1.1+ BX20	BX 20	\$280.44	\$258.30	\$246.00	*
CEK-905-20	OP3 KIT BX20	BX 20	\$259.92	\$239.40	\$228.00	*
CEK-920-20	OP3 KIT 1.1+ BITEBLOCK BX 20	BX 20	\$292.98	\$269.85	\$257.00	*
CEK-959-20	OP4 KIT 2.0 DB SYR BX20	BX 20	\$378.48	\$348.60	\$332.00	*
CEK-978-20	OP4 KIT 1.1+ DB SYR BX20	BX 20	\$360.24	\$331.80	\$316.00	*
CEK-981-20	OP4 KIT 2.0 10FT SYR BX20	BX 20	\$368.22	\$339.15	\$323.00	*
CEK-991-20	OP4 KIT 2.0+ DE 6FT BX20	BX 20	\$377.34	\$347.55	\$331.00	*

CEK-784-20	OP4 KIT 1.1+ DB 6FT SYR BX20	BX 20	\$353.40	\$325.50	\$310.00	*
CEK-785-20	OP4 KIT 2.0 DE 6FT SYR BX20	BX 20	\$371.64	\$342.30	\$326.00	*
CEK-772-20	O KIT 1.1+ DB BX20	BX 20	\$314.64	\$289.80	\$276.00	*
CEK-779-20	OP3 KIT 1.1+ DE BX20	BX 20	\$303.24	\$279.30	\$266.00	*
CEK-780-20	OP3 KIT 1.1+ DB BX20	BX 20	\$319.20	\$294.00	\$280.00	*
CEK-782-20	OP3 KIT 2.0 DB BX20	BX 20	\$343.14	\$316.05	\$301.00	*
CEK-954-20	OP3 KIT 16P 2.0+ DE 12FT BX20	BX 20	\$354.54	\$326.55	\$311.00	*
CEK-982-20	OP4 KIT 2.0 BX20	BX 20	\$321.48	\$296.10	\$282.00	*
CEK-869-20	O KIT 1.1+ WJC BX20	BX 20	\$315.78	\$290.85	\$277.00	*
CEK-876-20	OP4 KIT 1.1+ DB BX20	BX 20	\$336.30	\$309.75	\$295.00	*
CEK-889-20	OP3 KIT BLUE 1.1+ DE BX20	BX 20	\$297.54	\$274.05	\$261.00	*
CEK-902-20	O KIT 1.1+ DE 6 FT BX20	BX 20	\$321.48	\$296.10	\$282.00	*
CEK-985-20	OP4 KIT 2.0+ DB SYR BX20	BX 20	\$384.18	\$353.85	\$337.00	*
CEK-997-20	OP3 KIT BLUE	BX 20	\$259.92	\$239.40	\$228.00	*
CEK-790-20	OP4 KIT 2.0 DB 10FT SYR BX20	BX 20	\$377.34	\$347.55	\$331.00	*
CEK-804-20	O KIT 1.1+ BX20	BX 20	\$281.58	\$259.35	\$247.00	*
CEK-880-20	O KIT 1.1+ DB WJC BX20	BX 20	\$348.84	\$321.30	\$306.00	*
CEK-883-20	OP3 KIT 2.0 10FT BX20	BX 20	\$321.48	\$296.10	\$282.00	*
CEK-911-20	OP4 KIT NO SPONGE 2.0 DE BX20	BX 20	\$328.55	\$302.61	\$288.20	*
CEK-948-20	OP4 KIT16P NO SPONGE 1.1+ BX20	BX 20	\$278.16	\$256.20	\$244.00	*
CEK-987-20	OP4 KIT BLUE 1.1+ DE BX20	BX 20	\$320.34	\$295.05	\$281.00	*
CEK-865-20	OP4 KIT 1.1+ BX20	BX 20	\$303.24	\$279.30	\$266.00	*
CEK-871-20	OP3 KIT 1.1+ BX20	BX 20	\$280.44	\$258.30	\$246.00	*
CEK-203-20	OP4 KIT 1.1+ DE 2GOWNS AAMI LVL3 BX20	BX 20	\$427.73	\$393.96	\$375.20	*
CEK-208-20	OP4 KIT 2.0+ 2GOWNS AAMI LVL3 BX20	BX 20	\$461.93	\$425.46	\$405.20	*
CEK-217-20	O KIT 1.1+ DE 2GOWNS AAMI LVL3 BX20	BX 20	\$406.07	\$374.01	\$356.20	*
CEK-230-20	OP4 1.1 DE 12FT AAMI LVL3 BX20	BX 20	\$474.47	\$437.01	\$416.20	*
CEK-245-20	O KIT 2.0 + 10FT 2GOWNS AAMI LVL3 BX20	BX 20	\$338.81	\$312.06	\$297.20	*
CEK-2807-20	OP4 CA KIT 1.1+ DE 6FT 2GN AAMI L3 BX20	BX 20	\$513.00	\$472.50	\$450.00	*
CEK-303-20	OP4 1.1 DE 10FT SR 3GOWNS AAMI LVL3 BX20	BX 20	\$528.28	\$486.57	\$463.40	*
SBT-114-100	BLOX BITE BLOCK ADJUSTABLE STRAP BOX 100	BX 100	\$62.70	\$57.75	\$55.00	*
SBT-546-100	BLOX BITE BLOCK 60FR W ADJ STRAP BOX 100	BX 100	\$62.70	\$57.75	\$55.00	*
SBT-321-100	BLOX BITE BLOCK W/O DENTALRIMADJ BOX 100	BX 100	\$57.00	\$52.50	\$50.00	*
SPX-017-25	CINCHPAD 25	BX 25	\$51.30	\$47.25	\$45.00	*
SBD-228-50	HEDGEHOG DOUBLE-END BRUSH BOX 50	BX 50	\$76.95	\$70.88	\$67.50	*
SBD-291-50	HEDGEHOG SWEEPER BRUSH BOX 50	BX 50	\$93.48	\$86.10	\$82.00	*
SBB-119-50	HEDGEHOG DOUBLE-END VALVE BRUSH BOX 50	BX 50	\$45.60	\$42.00	\$40.00	*
SBB-382-50	HEDGEHOG DOUBLE BUNDLE BOX 50	BX 50	\$94.05	\$86.63	\$82.50	*
SBD-289-50	HEDGEHOG DUAL-END BRUSH BOX 50	BX 50	\$79.80	\$73.50	\$70.00	*
SBS-227-50	HEDGEHOG SINGLE-END BRUSH BOX 50	BX 50	\$54.15	\$49.88	\$47.50	*
SEE-573-4	PUREDUALENZYMATICDETERGENTUNSCENTED BOX4	BX 4	\$127.45	\$117.39	\$111.80	*
SEE-220-4	PURE DUAL ENZYMATIC DETERGENT SCENTEDBX4	BX 4	\$127.45	\$117.39	\$111.80	*
M00501972	ENDOARMOR+ SURGICAL GOWN BX 100	BX 100	\$340.86	\$313.95	\$299.00	*
M00501991	AEGIS ONE HOUR INDICATOR - BOX 100	BX 100	\$340.86	\$313.95	\$299.00	*
M00501902	ENDOGLIDE+ 2.0 OZ LUBE BOX 50	BX 50	\$96.90	\$89.25	\$85.00	*
M00501905	ENDOGLIDE+ 1.1 OZ LUBRICANT GEL BOX 100	BX 100	\$90.96	\$83.78	\$79.79	*
SES-240-50	KOALA SPONGE PLUS PURE YELLO IMBIBED BX	BX 50	\$54.15	\$49.88	\$47.50	*
M00501762	KOALA GREEN CLEANING SPONGE BX 50	BX 50	\$45.60	\$42.00	\$40.00	*
SIK-242-50	ECOBOWL + KOALA SPONGE PLUS PURE BX50	EA 1	\$66.69	\$61.43	\$58.50	*
M00501895	SALES ORDER FOR PORPOISE AND ORCAPOD 4	EA 1	\$680.58	\$626.85	\$597.00	*
M00501893	SALES ORDER FOR PORPOISE AND ORCA VALVES	EA 1	\$623.58	\$574.35	\$547.00	*
M00501894	SALES ORDER FOR PORPOISE AND ORCAPOD 3	EA 1	\$623.58	\$574.35	\$547.00	*
SUV-617-50	ORCA AIR WATER AND SUCTION VALVE BOX 50	BX 50	\$453.15	\$417.38	\$397.50	*
SUV-628-50	ORCA POD 3 BOX 50	BX 50	\$453.15	\$417.38	\$397.50	*
SUV-629-50	ORCA POD 4 BOX 50	BX 50	\$510.15	\$469.88	\$447.50	*
M00501891	CLEANING ADAPTER BOX 50	BX 50	\$170.43	\$156.98	\$149.50	*
SBC-501-100	SEAL BIOPSY VALVE OLYMPUS FUJINON BOX100	BX 100	\$85.50	\$78.75	\$75.00	*
SCT-350-10	HYDRA OLYMPUS AIR/WATER BOTTLE CAP BOX10	BX 10	\$96.90	\$89.25	\$85.00	*
SCT-351-10	HYDRA OLYMPUS AIR/WATERBOTTLECAPW/CO2 10	BX 10	\$102.60	\$94.50	\$90.00	*
SIT-355-15	HYDRA IRRIGATION TUBING BOX 15	BX 15	\$136.80	\$126.00	\$120.00	*
SIT-576-15	HYDRA IRRIGATION TUBINGOLYMPUSOFF COMPAT	BX 15	\$136.80	\$126.00	\$120.00	*
SIT-361-100	HYDRA OLYMPUS WATER JET CONNECTOR BOX100	BX 100	\$171.00	\$157.50	\$150.00	*
SVT-143-100	SUCTION TUBING 1/4 X 6" BOX 100	BX 100	\$101.32	\$93.32	\$88.88	*
SVT-089-100	SUCTION TUBING NS 3/16" X 6" BOX 100	BX 100	\$69.08	\$63.63	\$60.60	*

SVT-095-100	SUCTION TUBING NS 3/16" X 12' BOX 100	BX 100	\$140.47	\$129.38	\$123.22	*
SVT-090-100	SUCTION TUBING NS 3/16" X 10' BOX 100	BX 100	\$117.44	\$108.17	\$103.02	*
M00501912	HYDRA A/W BOTTLECAP W/EXTENDED CO2 BOX15	BX 15	\$153.90	\$141.75	\$135.00	*
M00518101	Interject Clear 5F 23G 4mm 200cm BX/5	BX 5	\$151.54	\$139.58	\$132.93	
M00518111	Interject Clear 5F 25G 4mm 200cm BX/5	BX 5	\$151.54	\$139.58	\$132.93	
M00518311	Interject Clear 7F 25G 4mm 240cm BX/5	BX 5	\$151.54	\$139.58	\$132.93	
M00518301	Interject Clear 7F 23G 4mm 240cm BX/5	BX 5	\$151.54	\$139.58	\$132.93	
M00518151	Interject Contr. 5F 23G 4mm 200cm BX/5	BX 5	\$151.54	\$139.58	\$132.93	
M00518161	Interject Contr. 5F 25G 4mm 200cm BX/5	BX 5	\$151.54	\$139.58	\$132.93	
M00518251	Interject Contr. 5F 23G 6mm 200cm BX/5	BX 5	\$151.54	\$139.58	\$132.93	
M00518261	Interject Contr. 5F 25G 6mm 200cm BX/5	BX 5	\$151.54	\$139.58	\$132.93	
M00518351	Interject Contr. 7F 23G 4mm 240cm BX/5	BX 5	\$151.54	\$139.58	\$132.93	
M00518361	Interject Contr. 7F 25G 4mm 240cm BX/5	BX 5	\$151.54	\$139.58	\$132.93	
M00562471	Captiflex ExtraSmall Oval FLEXIBLE Bx/10	BX 10	\$80.60	\$74.24	\$70.70	
M00562402	Captiflex Medium Oval FLEXIBLE Bx/40	BX 40	\$319.20	\$294.00	\$280.00	
M00562422	Captiflex Small Oval FLEXIBLE Bx/40	BX 40	\$319.20	\$294.00	\$280.00	
M00562451	Captivator Small Hexagonal STIFF Bx/10	BX 10	\$80.60	\$74.24	\$70.70	
M00562301	Captivator Small Oval STIFF Bx/10	BX 10	\$80.60	\$74.24	\$70.70	
M00562321	Captivator Medium Oval STIFF Bx/10	BX 10	\$80.60	\$74.24	\$70.70	
M00562391	Captivator Lg Oval Thin Wire FLEX Bx/10	BX 10	\$80.60	\$74.24	\$70.70	
M00561311	CAPTIVATOR LARGE OVAL MED STIFF BX/10	BX 10	\$80.60	\$74.24	\$70.70	
M00562371	Captivator Medium Crescent STIFF Bx/10	BX 10	\$80.60	\$74.24	\$70.70	
M00562341	Captivator Medium Hexagonal STIFF Bx/10	BX 10	\$79.80	\$73.50	\$70.00	
M00561103	CAPTIVATOR COLD- 10MM ROUND STIFF BOX40	BX 40	\$501.60	\$462.00	\$440.00	
M00561291	Captivator Extra Large Round STIFF Bx/10	BX 10	\$80.60	\$74.24	\$70.70	
M00561193	CAPTIVATOR II-25MM ROUND STIFF BOX40	BX 40	\$319.20	\$294.00	\$280.00	
M00561233	CAPTIVATOR II-15MM ROUND STIFF BOX40	BX 40	\$319.20	\$294.00	\$280.00	
M00561223	CAPTIVATOR II-10MM ROUND STIFF BOX40	BX 40	\$319.20	\$294.00	\$280.00	
M00561243	CAPTIVATOR II-20MM ROUND STIFF BOX40	BX 40	\$319.20	\$294.00	\$280.00	
STE-298-25	TRAPEASE QUAD CHAMBER BOX 25	BX 25	\$94.41	\$86.96	\$82.82	
STE-297-50	TRAPEASE SINGLE CHAMBER BOX 50	BX 50	\$54.15	\$49.88	\$47.50	
M00560311	Sensation Medium Oval MED STIFF Bx/5	BX 5	\$40.30	\$37.12	\$35.35	
M00560321	Sensation Small Oval MED STIFF Bx/5	BX 5	\$40.30	\$37.12	\$35.35	
M00562652	Sensation Large Oval MED STIFF Bx/20	BX 20	\$159.60	\$147.00	\$140.00	
M00562693	Sensation Small Oval FLEXIBLE Bx/40	BX 40	\$319.20	\$294.00	\$280.00	
M00562673	Sensation Medium Oval FLEXIBLE Bx/40	BX 40	\$319.20	\$294.00	\$280.00	
M00515033	Radial Jaw 4 Hot BX 40	BX 40	\$552.67	\$509.04	\$484.80	*
DGN-538-5	RESCUENET RETRIEVAL NET 5 PACK	BX 5	\$484.50	\$446.25	\$425.00	
M00527451	RESCUE ALLIGATOR GRASPING FORCEPS 5 PACK	BX 5	\$427.50	\$393.75	\$375.00	
M00527551	RESCUE ALLIGATOR FORCEPS LONG 5 PACK	BX 5	\$427.50	\$393.75	\$375.00	
M00538351	RESCUE RAT TOOTH/ALLIGATOR FORCEPS 5PKS	BX 5	\$484.50	\$446.25	\$425.00	
M00527651	RESCUE RAT TOOTH GI FORCEPS 5 PACK	BX 5	\$427.50	\$393.75	\$375.00	
M00527751	RESCUE RAT TOOTH FORCEPS PEDIATRIC 5PKS	BX 5	\$484.50	\$446.25	\$425.00	
M00561831	Rotatable Medium Oval MED STIFF Bx/10	BX 10	\$204.52	\$188.37	\$179.40	
M00561821	Rotatable Small Oval MED STIFF Bx/10	BX 10	\$204.52	\$188.37	\$179.40	
M00562571	Profile Medium Oval FLEXIBLE Bx/10	BX 10	\$187.84	\$173.01	\$164.77	
M00562531	Profile Extra Small Oval FLEXIBLE Bx/10	BX 10	\$187.84	\$173.01	\$164.77	
M00562551	Profile Small Oval FLEXIBLE Bx/10	BX 10	\$187.84	\$173.01	\$164.77	
M00558382	SALES ORDER_CRE FW 18-20MM_ALLIANCE SYR	EA 1	\$769.50	\$708.75	\$675.00	
M00558362	SALES ORDER_CRE FW 12-15MM_ALLIANCE SYR	EA 1	\$769.50	\$708.75	\$675.00	
M00558372	SALES ORDER_CRE FW 15-18MM_ALLIANCE SYR	EA 1	\$769.50	\$708.75	\$675.00	
CEK-1030-20	OP4 KIT 1.1+ DB GREEN BX20	BX 20	\$311.22	\$286.65	\$273.00	*
CEK-1031-20	KIT 1.1+ DB GREEN BX20	BX 20	\$133.38	\$122.85	\$117.00	*
CEK-1032-20	OP4 KIT 1.1+ DB NO CP BX20	BX 20	\$275.65	\$253.89	\$241.80	*
CEK-2029-20	OP4 KIT 2.0+ BOWL 10FT BX20	BX 20	\$296.63	\$273.21	\$260.20	*
CEK-2030-20	KIT 2.0+ BOWL 10FT BX20	BX 20	\$118.79	\$109.41	\$104.20	*
CEK-2031-20	OP4 KIT 2.0+ NO CP BOWL BX20	BX 20	\$273.83	\$252.21	\$240.20	*
CEK-2032-20	KIT 2.0+ BOWL NO CP BX20	BX 20	\$95.99	\$88.41	\$84.20	*
CEK-3300-20	KIT 2.0 2BOWLS 10FT BX20	BX 20	\$143.64	\$132.30	\$126.00	*
CEK-4000-20	OP4 CA KIT NOCP 1.1+ 2GOWN AAMILVL3 BX20	BX 20	\$474.01	\$436.59	\$415.80	*
CEK-4001-20	OP4 CA KIT BLUE 2.0 12FT BX20	BX 20	\$435.25	\$400.89	\$381.80	*
CEK-4002-20	O CA KIT 2.0 10FT 2GOWNS AAMI LVL3 BX20	BX 20	\$519.84	\$478.80	\$456.00	*
CEK-4003-20	OP4 CA KIT NO CP 2.0 DB 10FT BX20	BX 20	\$370.27	\$341.04	\$324.80	*
CEK-4004-20	OP4CA KIT1.1+ DE10FTSYR2GWN AAMILVL3BX20	BX 20	\$542.64	\$499.80	\$476.00	*

CEK-4005-20	KIT 1.1+ DBSEAL SYR 2GOWNSAAMI LVL3 BX20	BX 20	\$229.14	\$211.05	\$201.00	*
CEK-4006-20	OP4CAKIT1.1+DBNOCP10FT2GOWN AAMILVL3BX20	BX 20	\$496.81	\$457.59	\$435.80	*
CEK-4007-20	OP4 CA KIT 2.0 NO CP BX20	BX 20	\$347.47	\$320.04	\$304.80	*
CEK-4008-20	OP4 CA KIT 1.1+ DB NO CP BX20	BX 20	\$366.62	\$337.68	\$321.60	*
CEK-4009-20	OP4CAKIT2BOWLS2.0+1GWNAAMILVL36FTSYRBOX20	BX 20	\$499.66	\$460.22	\$438.30	*
CEK-4010-20	CA KIT 1.1+ DE 10FT SYR BX20	BX 20	\$234.61	\$216.09	\$205.80	*
CEK-4011-20	KIT 1.1+ DB SEAL 2GOWNS AAMI LVL 3 BX20	BX 20	\$229.14	\$211.05	\$201.00	*
CEK-4012-20	CA KITNOCP2.0+ DESYR3GWNS AAMILVL3 BX20	BX 20	\$372.32	\$342.93	\$326.60	*
ESS-ESG-NXT	OVERSTITCH NXT ENDOSCOPIC SUTURE SYS 1PK	EA 1	\$3,928.90	\$3,618.72	\$3,446.40	
M00510101	MULTIBITE 160CM (BX/5)	BX 5	\$209.76	\$193.20	\$184.00	
M00510121	MULTIBITE 240CM (BX/5)	BX 5	\$209.76	\$193.20	\$184.00	
M00561440	Bipolar Cable Adapter - 18mm	EA 1	\$86.00	\$79.21	\$75.44	
M00561460	Bipolar Cable Adapter - 25mm	EA 1	\$86.00	\$79.21	\$75.44	
M00561490	Bipolar Cable Adapter - 32mm / Third Pin	EA 1	\$86.00	\$79.21	\$75.44	
M00561500	Bipolar Cable Adapter - 39mm	EA 1	\$86.00	\$79.21	\$75.44	
M00562421	Captiflex Small Oval FLEXIBLE Bx/10	BX 10	\$84.53	\$77.86	\$74.15	
M00569610	Wallstent Bili RX UC 8mm 4cm	EA 1	\$1,545.84	\$1,423.80	\$1,356.00	
M00569640	Wallstent Bili RX UC 10mm 4cm	EA 1	\$1,545.84	\$1,423.80	\$1,356.00	
M00569660	Wallstent Bili RX UC 10mm 8cm	EA 1	\$1,545.84	\$1,423.80	\$1,356.00	
M00569670	Wallstent Bili RX PC 8mm 4cm	EA 1	\$1,819.44	\$1,675.80	\$1,596.00	
M00569680	Wallstent Bili RX PC 8mm 6cm	EA 1	\$1,819.44	\$1,675.80	\$1,596.00	
M00569690	Wallstent Bili RX PC 8mm 8cm	EA 1	\$1,819.44	\$1,675.80	\$1,596.00	
M00569710	Wallstent Bili RX PC 10mm 6cm	EA 1	\$1,819.44	\$1,675.80	\$1,596.00	
M00569720	Wallstent Bili RX PC 10mm 8cm	EA 1	\$1,819.44	\$1,675.80	\$1,596.00	
M00569800	Wallstent Bili RX UC 8mm 10cm	EA 1	\$1,545.84	\$1,423.80	\$1,356.00	
M00569810	Wallstent Bili RX UC 10mm 10cm	EA 1	\$1,545.84	\$1,423.80	\$1,356.00	

#### **SCHEDULE B: Additional Products**

**\*Products marked with an asterisk below shall be shipped at BSC's expense, via ground shipping. Products not marked shall be shipped at BSC's expense, three business day shipping.**

Additional Products						
Item Number	Product Description	Unit of Measure	Tier 1 50-84.9%	Tier 2 85-94.9%	Tier 3 95%+	Freight Label
M00515032	Radial Jaw 4 Hot BX 20	BX 20	\$498.39	\$459.04	\$437.18	*
M00515031	Radial Jaw 4 Hot BX 5	BX 5	\$199.50	\$183.75	\$175.00	*
M00513443	Radial Jaw 4 GP 160cm BX5	BX 5	\$149.16	\$137.38	\$130.84	*
M00513453	Radial Jaw 4 GP 160cm W/NDL BX5	BX 5	\$149.16	\$137.38	\$130.84	*
M00513361	Radial Jaw 4 Jumbo 240cm BX 20	BX 20	\$588.84	\$542.36	\$516.53	*
M00513362	Radial Jaw 4 Jumbo 240cm BX 40	BX 40	\$689.18	\$634.77	\$604.54	*
M00513343	Radial Jaw 4 Jumbo 160cm BX 5	BX 5	\$163.13	\$150.26	\$143.10	*
M00513363	Radial Jaw 4 Jumbo 240cm BX 5	BX 5	\$180.90	\$166.61	\$158.68	*
M00513371	Radial Jaw 4 Jumbo w/NDL 240cm BX 20	BX 20	\$588.84	\$542.36	\$516.53	*
M00513372	Radial Jaw 4 Jumbo w/NDL 240cm BX 40	BX 40	\$689.18	\$634.77	\$604.54	*
M00513353	Radial Jaw 4 Jumbo w/NDL 160cm BX 5	BX 5	\$163.13	\$150.26	\$143.10	*
M00513373	Radial Jaw 4 Jumbo w/NDL 240cm BX 5	BX 5	\$180.90	\$166.61	\$158.68	*

M00513301	Radial Jaw 4 LC 160cm BX 20	BX 20	\$279.27	\$257.22	\$244.97	*
M00513321	Radial Jaw 4 LC 240cm BX 20	BX 20	\$279.27	\$257.22	\$244.97	*
M00513302	Radial Jaw 4 LC 160cm BX 40	BX 40	\$382.03	\$351.87	\$335.11	*
M00513322	Radial Jaw 4 LC 240cm BX 40	BX 40	\$382.03	\$351.87	\$335.11	*
M00513303	Radial Jaw 4 LC 160cm BX 5	BX 5	\$102.60	\$94.50	\$90.00	*
M00513323	Radial Jaw 4 LC 240cm BX 5	BX 5	\$102.60	\$94.50	\$90.00	*
M00513311	Radial Jaw 4 LC w/NDL 160cm BX 20	BX 20	\$279.27	\$257.22	\$244.97	*
M00513331	Radial Jaw 4 LC w/NDL 240cm BX 20	BX 20	\$279.27	\$257.22	\$244.97	*
M00513312	Radial Jaw 4 LC w/NDL 160cm BX 40	BX 40	\$382.03	\$351.87	\$335.11	*
M00513332	Radial Jaw 4 LC w/NDL 240cm BX 40	BX 40	\$382.03	\$351.87	\$335.11	*
M00513313	Radial Jaw 4 LC w/NDL 160cm BX 5	BX 5	\$102.60	\$94.50	\$90.00	*
M00513333	Radial Jaw 4 LC w/NDL 240cm BX 5	BX 5	\$102.60	\$94.50	\$90.00	*
M00513381	Radial Jaw 4 SC 160cm BX20	BX 20	\$335.03	\$308.58	\$293.89	*
M00513401	Radial Jaw 4 SC 240cm BX20	BX 20	\$335.03	\$308.58	\$293.89	*
M00513383	Radial Jaw 4 SC 160cm BX5	BX 5	\$98.20	\$90.45	\$86.14	*
M00513403	Radial Jaw 4 SC 240cm BX5	BX 5	\$98.20	\$90.45	\$86.14	*
M00513391	Radial Jaw 4 SC 160cm W/NDL BX20	BX 20	\$335.03	\$308.58	\$293.89	*
M00513411	Radial Jaw 4 SC 240cm W/NDL BX20	BX 20	\$335.03	\$308.58	\$293.89	*
M00513393	Radial Jaw 4 SC 160cm W/NDL BX5	BX 5	\$98.20	\$90.45	\$86.14	*
M00513413	Radial Jaw 4 SC 240cm W/NDL BX5	BX 5	\$98.20	\$90.45	\$86.14	*
M00522601	Resolution Clip 155cm BX/10	BX 10	\$1,658.70	\$1,527.75	\$1,455.00	
M00522611	Resolution Clip 235cm BX/10	BX 10	\$1,658.70	\$1,527.75	\$1,455.00	
M00522600	Resolution Clip 155cm	EA 1	\$176.70	\$162.75	\$155.00	
M00522610	Resolution Clip 235cm	EA 1	\$176.70	\$162.75	\$155.00	
M00521230	Resolution 360 Clip 235cm BX 1	EA 1	\$272.46	\$250.95	\$239.00	
M00521240	Resolution 360 Clip 155cm Box 1	EA 1	\$272.46	\$250.95	\$239.00	
M00521231	Resolution 360 Clip 235cm Box 10	BX 10	\$2,496.60	\$2,299.50	\$2,190.00	
M00521241	Resolution 360 Clip 155cm Box 10	BX 10	\$2,496.60	\$2,299.50	\$2,190.00	
M00521232	Resolution 360 Clip 235cm Box 20	BX 20	\$4,081.20	\$3,759.00	\$3,580.00	
M00521242	Resolution 360 Clip 155cm Box 20	BX 20	\$4,081.20	\$3,759.00	\$3,580.00	
M00542251	SPEEDBAND SUPERVIEW SUPER 7 BOX 2	BX 2	\$478.80	\$441.00	\$420.00	
M00560070	GOLD PROBE 7 FR	EA 1	\$174.73	\$160.93	\$153.27	
M00560100	GOLD PROBE 10 FR	EA 1	\$174.73	\$160.93	\$153.27	
M00560220	GOLD PROBE 350CM	EA 1	\$177.84	\$163.80	\$156.00	
M00560301	Sensation Large Oval MED STIFF Bx/5	BX 5	\$87.54	\$80.63	\$76.79	
M00560331	Sensation Medium Crescent MED STIFF Bx/5	BX 5	\$78.16	\$71.99	\$68.56	
M00562672	Sensation Medium Oval FLEXIBLE Bx/20	BX 20	\$243.15	\$223.95	\$213.29	
M00562692	Sensation Small Oval FLEXIBLE Bx/20	BX 20	\$243.15	\$223.95	\$213.29	
M00562651	Sensation Large Oval MED STIFF Bx/5	BX 5	\$87.54	\$80.63	\$76.79	
M00562671	Sensation Medium Oval FLEXIBLE Bx/5	BX 5	\$87.54	\$80.63	\$76.79	
M00562691	Sensation Small Oval FLEXIBLE Bx/5	BX 5	\$87.54	\$80.63	\$76.79	
M00561191	CAPTIVATOR II-25MM ROUND STIFF BOX10	BX 10	\$141.71	\$130.53	\$124.31	
M00561221	CAPTIVATOR II-10MM ROUND STIFF BOX10	BX 10	\$141.71	\$130.53	\$124.31	
M00561231	CAPTIVATOR II-15MM ROUND STIFF BOX10	BX 10	\$141.71	\$130.53	\$124.31	
M00561241	CAPTIVATOR II-20MM ROUND STIFF BOX10	BX 10	\$141.71	\$130.53	\$124.31	
M00561192	CAPTIVATOR II-25MM ROUND STIFF BOX20	BX 20	\$243.15	\$223.95	\$213.29	
M00561222	CAPTIVATOR II-10MM ROUND STIFF BOX20	BX 20	\$243.15	\$223.95	\$213.29	
M00561232	CAPTIVATOR II-15MM ROUND STIFF BOX20	BX 20	\$243.15	\$223.95	\$213.29	
M00561242	CAPTIVATOR II-20MM ROUND STIFF BOX20	BX 20	\$243.15	\$223.95	\$213.29	
M00561101	CAPTIVATOR COLD- 10MM ROUND STIFF BOX10	BX 10	\$193.80	\$178.50	\$170.00	
M00561102	CAPTIVATOR COLD- 10MM ROUND STIFF BOX20	BX 20	\$342.00	\$315.00	\$300.00	
M00562401	Captiflex Medium Oval FLEXIBLE Bx/10	BX 10	\$84.53	\$77.86	\$74.15	
M00555640	ACQUIRE S EUS FNB NEEDLE 22G BOX 1	EA 1	\$450.30	\$414.75	\$395.00	
M00555660	ACQUIRE S EUS FNB NEEDLE 25G BOX 1	EA 1	\$450.30	\$414.75	\$395.00	
M00555540	Acquire EUS FNB Needle 22G Box 1	EA 1	\$450.30	\$414.75	\$395.00	
M00555560	Acquire EUS FNB Needle 25G Box 1	EA 1	\$450.30	\$414.75	\$395.00	
M00555500	Expect Slimline 19g EUS Needle	EA 1	\$233.70	\$215.25	\$205.00	
M00555510	Expect Slimline 22g EUS Needle	EA 1	\$233.70	\$215.25	\$205.00	
M00555520	Expect Slimline 25g EUS Needle	EA 1	\$233.70	\$215.25	\$205.00	
M00521402	RESOLUTION 360 ULTRA CLIP 235CM BX20	Box 20	\$4,537.20	\$4,179.00	\$3,980.00	
M00521401	RESOLUTION 360 ULTRA CLIP 235CM BX10	Box 10	\$2,724.60	\$2,509.50	\$2,390.00	
M00521400	RESOLUTION 360 ULTRA CLIP 235CM BX1	Box 1	\$295.26	\$271.95	\$259.00	
M00521420	MANTIS 235CM BX1	EA 1	\$461.70	\$425.25	\$405.00	
M00521421	MANTIS 235CM BX10	BX 10	\$3,990.00	\$3,675.00	\$3,500.00	



M00521422	MANTIS 235CM BX20	BX 20	\$7,980.00	\$7,350.00	\$7,000.00	
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## **Schedule C**

### **Terms and Conditions**

1. This Agreement shall remain in effect until the end of the term specified herein, provided that this Agreement may be terminated (a) by BSC upon thirty (30) days' prior written notice to Customer; (b) by BSC upon thirty (30) days' prior written notice to Customer of an alleged material breach by Customer (including Customer's failure to meet its financial obligations to BSC in a timely manner) and Customer's opportunity to cure; (c) by mutual written agreement of the parties at any time; (d) by Customer upon thirty (30) days' prior written notice to BSC of an alleged material breach by BSC and BSC's opportunity to cure; or (e) by Customer upon thirty (30) days' prior written notice to BSC with the express understanding that Customer shall then pay the True-Up Payment to BSC as described in this Agreement.
2. Payment terms are net thirty (30) days. Orders will be shipped via common carrier selected by Boston Scientific. Boston Scientific shall be responsible for all standard shipping charges. Standard shipping is ground for Infection Prevention and Radial Jaw Products; standard shipping for all other Products is three (3) business day delivery, as noted in the Product list. Customer may request expedited shipping for an additional charge. Expedited shipping charges will be prepaid by Boston Scientific and reflected on Customer's invoice. All shipping charges are subject to change without notice.
3. This Agreement and the documents referred to herein constitute the entire Agreement and understanding of the parties in respect of the transactions contemplated by this Agreement. Unless expressly stated in this Agreement, this Agreement supersedes all prior Agreements and understandings between the parties with respect to such transactions. Any products covered under this agreement will be excluded from eligible products covered under any existing or future Volume Discount/Rebate programs, through the effective dates of this agreement. No document will amend this Agreement unless it is attached to, or made a part of this Agreement, and executed by a duly authorized representative of each party.
4. Neither Party may assign, transfer, convey, sublet or otherwise dispose of any of its right, title or interest in this Agreement without the prior written approval of the other party; provided however, Boston Scientific may assign this Agreement to any of its affiliated entities without the other party's consent. For purposes of this Agreement, affiliated entities shall mean an entity that owns or controls, is owned or controlled by, or is under common ownership or controlled by Boston Scientific.
5. Pricing for Products must be treated as discounts on the Products on which the discounts are earned, and must be fully and accurately reported on all claims for payment filed with third party payors, including applicable Medicare, Medicaid and state agency cost reports, in accordance with all applicable federal and state laws and applicable agreements. If you are a cost reporting entity, you should report the actual prices paid net of the discounts received pursuant to this Agreement on Medicare, Medicaid and all other federal health care program cost reports in the fiscal year in which the discount is earned or the following year. You should also retain a copy of this Agreement, and communications regarding this Agreement, together with the invoices for purchase and permit agents of the U.S. Department of Health and Human Services or any state agency access to such records upon request.
6. Certain confidential business information (including, without limitation, this Agreement, its terms and the negotiations leading to this Agreement) will not be disclosed to any third party without the prior written approval of the non-disclosing party, provided that such information may be disclosed (i) to physicians, attorneys, accountants and auditors who have agreed in writing not to use, disclose, or rely on that information for any purpose other than advising you, and (ii) allowed under Section 6 above. The provisions of this Section shall survive any termination or expiration of this Agreement.
7. The relationship of the parties to this Agreement is that of independent contractors and not that of master and servant, principal and agent, employer and employee, partners or joint venturers. Except as otherwise provided in this Agreement, any breach of any term or condition of this Agreement by a party may only be waived unless agreed to in writing signed by both parties. Such waiver shall not operate as a waiver of, or estoppel with respect to, any subsequent or other breach of any other term or condition of this Agreement. The invalidity or unenforceability of any provision or portion hereof shall not affect the validity or enforceability of the other provisions or portions hereof.

8. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given, made, and received only when (i) delivered personally, by messenger, or by recognized courier service such as Federal Express, (ii) sent by electronic facsimile with proof of confirmation, or (iii) four days following the day when deposited in the U.S. Mail by registered or certified mail, postage prepaid, return receipt requested, addressed as set forth below:

If to BSC:	If to Customer:
Boston Scientific Corporation	Customer
Attn: Endoscopy Sales Programs	Attn:
300 Boston Scientific Way	
Marlborough, MA 01752	
With a copy to:	With a copy to:
Boston Scientific Corporation Attn: Med/Surg	Customer
General Counsel	Attn:
300 Boston Scientific Way	
Marlborough, MA 01752	

9. The parties will comply with all applicable federal, state and local government laws, rules and regulations relating to their respective obligations under this Agreement. If any provision or portion of this Agreement becomes invalid, illegal or unenforceable by any applicable valid governmental requirement or declared null and void by any court of competent jurisdiction, the parties will negotiate, in good faith, a corresponding amendment of this Agreement consistent with the original intent of the parties.

10. As a medical device manufacturer, Boston Scientific provides training on the safe and effective use of its products. There may be occasions in which, because of attending these training programs, Boston Scientific will pay for modest and reasonable travel, lodging and meal costs incurred by a healthcare provider at your facility (including Massachusetts-licensed healthcare providers in accordance with 105 Mass. Code Regs. 970.008(2)).

11. Committed Volume; Within sixty (60) days after the conclusion of the then-current Contract Year, the expiration, or termination of this Agreement by BSC (under Section 1(b) or Customer (under Section 1(e) (each, a "Measurement Point"), BSC will calculate the Customer's purchase of Actual Contract Term Committed Volume Purchased from the Effective Date of the then-current Contract Year until the Measurement Point. "Actual Contract Term Committed Volume Purchased" shall be the actual dollar amount of Covered Products that Customer purchased from BSC during the Contract Year and ending at the applicable Measurement Point, net of the dollar amount of Covered Products that Customer returned to BSC during the Contract Year until the Measurement Point. A Covered Product will be considered purchased on the date that BSC ships it to the Customer. Covered Products will be considered returned on the date that BSC processes the applicable return. If the Actual Contract Term Committed Volume Purchased during the Contract Year is less than the then-current total Annual Contract Year Committed Volume Level at the conclusion of the Contract Year, the expiration or termination of this Agreement under Section 1(b) or 1(e) (as indicated in the Program Commitment Information Matrix attached hereto), then BSC shall notify Customer of such non-compliance and the Customer shall have thirty (30) days from BSC's notice to either (a) purchase Covered Products in a dollar amount equal to the Deficiency Amount or (b) pay the True-Up Payment to BSC ("Deficiency Amount" shall be the Customer's Contract Term Committed Volume Level net of Actual Contract Term Committed Volume Purchased. "True-Up Payment" shall be equal to the Deficiency Amount multiplied by the True-Up Payment Percentage (as indicated in the Program Commitment Information Matrix)). If Customer commits to purchase Covered Products equal to the Deficiency Amount, Customer and BSC may work in good faith to extend the thirty (30) day deadlines. BSC reserves the right to recalculate and increase or reimpose, as applicable, the True-Up Payment in order to account properly for any returns or other credits occurring after the True-Up Payment was calculated. For the sake of clarity, in no event will Customer be liable for payment of the True-Up Payment if (1) the Customer's Actual Contract Term Committed Volume Purchased is equal to or greater than the Customer's Contract Year Committed Volume Level; (2) the Customer purchases Covered Products in a dollar amount equal to the Deficiency Amount (as applicable) in accordance with this paragraph; (3) BSC terminates this Agreement pursuant to Section 1(a); (4) the parties mutually terminate this Agreement pursuant to Section 1(c) or (5) the Customer terminates this Agreement pursuant to Section 1(d).

It is expressly agreed that the amount due and payable under this True-Up Payment provision does not constitute a penalty and that the Customer and BSC, having negotiated in good faith for such provision and having agreed that the amount of such provision is reasonable in light of the anticipated harm caused by the breach related thereto and the difficulties of proof of loss and inconvenience or non-feasibility of obtaining any adequate remedy, are estopped from contesting the validity or enforceability of this provision.

BSC reserves the right to refuse any order received from purchaser for reasons that include, but are not limited to, BSC inventory constraints, regulatory matters, and product recalls.

**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 August 20, 2025, 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 54956.9

Based on the advice of Counsel, the Board of Governors is holding a closed session on August 20, 2025, 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 - ANTICIPATED LITIGATION  
(Government Code Section 54956.9(d)(4)) Number of cases: One (1) Based on existing facts and circumstances, the Board of Governors has decided to initiate or is deciding whether to initiate litigation –

**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 August 20, 2025, to consider:

  X   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) –

**KERN COUNTY HOSPITAL AUTHORITY  
BOARD OF GOVERNORS  
PUBLIC STATEMENT REGARDING CLOSED SESSION**

The Board of Governors will hold a closed session on August 20, 2025, to consider:

  X   PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) –