

**City and County of San Francisco  
Office of Contract Administration  
Purchasing Division**

**Second Amendment**

THIS AMENDMENT (this “Amendment”) is made as of **April 1, 2018**, in San Francisco, California, by and between **Toyon Associates, Inc.** (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Director of the Office of Contract Administration.

**RECITALS**

WHEREAS, City and Contractor have entered into the Agreement (as defined below); and  
WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to amend the Agreement on the terms and conditions set forth herein to extend the performance period by exercising options stated in the RFP, “Proposals will be accepted for a contract awarded for a minimum of four (4) years, April 1, 2018 through March 31, 2022, with a possible option to renew for one (1) additional four (4) years term,” increase the contract amount, and update standard contractual clauses and revise and Appendices A, B and E;

WHEREAS, approval for this Amendment was obtained when the Board of Supervisors approved Resolution number \_\_\_\_\_-18 on \_\_\_\_\_;

NOW, THEREFORE, Contractor and the City agree as follows:

**1. Definitions.** The following definitions shall apply to this Amendment:

**1a. Agreement.** The term “Agreement” shall mean the Agreement dated April 1, 2014 between Contractor and City, as amended by the:

First amendment, dated October 1, 2014, contract numbers BPHG14000086 and BPHL14000032, and this amendment.

**1b. Contract Monitoring Division. Contract Monitoring Division.** Effective July 28, 2012, with the exception of Sections 14B.9(D) and 14B.17(F), all of the duties and functions of the Human Rights Commission under Chapter 14B of the Administrative Code (LBE Ordinance) were transferred to the City Administrator, Contract Monitoring Division (“CMD”). Wherever “Human Rights Commission” or “HRC” appears in the Agreement in reference to Chapter 14B of the Administrative Code or its implementing Rules and Regulations, it shall be construed to mean “Contract Monitoring Division” or “CMD” respectively.

**1c. Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

**2. Modifications to the Agreement.** The Agreement is hereby modified as follows:

**2a. Section 2** of the Agreement currently reads as follows:

**2. Term of the Agreement.** Subject to Section 1, the term of this Agreement shall be from April 1, 2014 to March 31, 2018 with the following option:

1. April 1, 2018 through March 31, 2022.

**Such section is hereby amended in its entirety to read as follows:**

**2. Term of the Agreement.** Subject to Section 1, the term of this Agreement shall be from April 1, 2014 to March 31, 2022 with the following option:

1. April 1, 2018 through March 31, 2022 (exercised)

**2b. Section 5** of the Agreement currently reads as follows:

**5. Compensation.** Compensation shall be made in monthly payments on or before the 15th day of each month for work, as set forth in Section 4 of this Agreement, that the **Director of the Department of Public Health**, in his or her sole discretion, concludes has been performed as of the 30th day of the immediately preceding month. In no event shall the amount of this Agreement exceed **Four Million Nine Hundred Ninety Six Thousand Six Hundred Seventeen Dollars (\$4,996,617)**. The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein. No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by **Department of Public Health** as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement. In no event shall City be liable for interest or late charges for any late payments.

The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of CMD Progress Payment Form. If Progress Payment Form is not submitted with Contractor's invoice, the Controller will notify the department, the Director of CMD and Contractor of the omission. If Contractor's failure to provide CMD Progress Payment Form is not explained to the Controller's satisfaction, the Controller will withhold 20% of the payment due pursuant to that invoice until CMD Progress Payment Form is provided. Following City's payment of an invoice, Contractor has ten days to file an affidavit using CMD Payment Affidavit verifying that all subcontractors have been paid and specifying the amount.

**Such section is hereby amended in its entirety to read as follows:**

**5. Compensation.** Compensation shall be made in monthly payments on or before the 15th day of each month for work, as set forth in Section 4 of this Agreement, that the **Director of the Department of Public Health**, in his or her sole discretion, concludes has been performed as of the 30th day of the immediately preceding month. In no event shall the amount of this Agreement exceed **Ten Million Fifty-One Thousand, Nine Hundred Seventy-Seven Dollars (\$10,051,977)**. The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein. No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by **Department of Public Health** as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement. In no event shall City be liable for interest or late charges for any late payments.

The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of CMD Progress Payment Form. If Progress Payment Form is not submitted with Contractor's invoice, the Controller will notify the department, the Director of CMD and Contractor of the omission. If Contractor's failure to provide CMD Progress Payment Form is not explained to the Controller's satisfaction, the Controller will withhold 20% of the payment due pursuant to that invoice until CMD Progress Payment Form is provided. Following City's payment of an invoice, Contractor has

ten days to file an affidavit using CMD Payment Affidavit verifying that all subcontractors have been paid and specifying the amount.

**2c. Appendix A-1 to A-7 dated October 1, 2014 is hereby replaced in its entirety with Appendix A-1 to A-7 dated April 1, 2018.**

**2d. Appendix B dated October 1, 2014 is hereby replaced in its entirety with Appendix B dated April 1, 2018.**

**2e. Appendix E, HIPAA Business Associate Addendum, is hereby deleted in its entirety and replaced with Appendix E, Business Associate Agreement, dated April 1, 2018.**

**3. Effective Date.** Each of the modifications set forth in Section 2 shall be effective on and after the date of this Amendment.

**4. Legal Effect.** Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

**5. Notices to the Parties.** Unless otherwise indicated elsewhere in this Agreement, all written communications sent by the parties may be by U.S. mail, e-mail or by fax, and shall be addressed as follows:

To CITY: Office of Contract Management and Compliance  
Department of Public Health  
1380 Howard Street RM419c FAX: (415) 255-3636  
San Francisco, California 94103 e-mail: april.monegas@sfdph.org

And: Matthew Sur  
Fiscal Office  
2789 25<sup>th</sup> Street, 3<sup>rd</sup> Floor, Accounting FAX: (415) 206-4488  
San Francisco, CA 94110 e-mail: Matthew.Sur@sfdph.org

And: **For notices related to settlement agreements or services to be performed by an attorney or law firm**

Arnulfo Medina, Deputy City Attorney  
San Francisco Office of the City Attorney Health and Human Services Division  
1390 Market St. 7<sup>th</sup> Floor  
San Francisco, CA 94102 e-mail: Arnulfo.Medina@sfgov.org

To CONTRACTOR: TOYON ASSOCIATES, INC.  
1800 SUTTER STREET, SUITE 600 FAX: (925) 687-9013  
CONCORD, CA 94520 e-mail: Ron.knapp@toyonassociates.com

Either party may change the address to which notice is to be sent by giving written notice thereof to the other party. If e-mail notification is used, the sender must specify a Receipt notice. Any notice of default must be sent by registered mail.

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

**CITY**

**CONTRACTOR**

Recommended by:

Toyon Associates, Inc.

\_\_\_\_\_  
Barbara A. Garcia                      Date  
Director of Health

\_\_\_\_\_  
Thomas Knight                      Date  
President

City Supplier ID: 0000009305

Approved as to Form:

Dennis J. Herrera  
City Attorney

By:

\_\_\_\_\_  
Deputy City Attorney                      Date

Approved:

\_\_\_\_\_  
Jaci Fong                      Date  
Director of the Office of Contract Administration,  
and Purchaser

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**CITY**

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City Attorney

By:

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Deputy City Attorney                      Date

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Thomas Knight                      Date  
President

City Supplier ID: 0000009305

Approved as to Form:

Dennis J. Herrera  
City Attorney

By:

\_\_\_\_\_  
Deputy City Attorney                      Date

Approved:

\_\_\_\_\_  
Jaci Fong                      Date  
Director of the Office of Contract Administration,  
and Purchaser

## APPENDIX A-1

### SFGH/COPC SCOPE OF WORK

#### SUMMARY

Toyon will provide regulatory reporting and reimbursement and revenue optimization services to the San Francisco Department of Public Health, for the benefit of San Francisco General Hospital/Community Outpatient Primary Care, Laguna Honda Hospital, and Health at Home Agency. Toyon's services will help increase the Medicaid and Medicare SSI Ratio Components of the Medicare Disproportionate share reimbursement, increase the reimbursement from the Medicare group appeal services, and other related goals under services to be agreed upon as, and in the manner, described below.

Toyon's "Public Hospital Services Team or Group" means the team of 12-13 consultants, analysts and programmers, led by Carrie Yee – Executive Director, focused on helping public hospitals optimize their cost reports and maximize reimbursements from government sponsored programs. The Public Hospital Services Group has specific expertise in Medi-Cal Certified Public Expenditure (CPE) and Intergovernmental Transfer (IGT) funded programs specific to public hospitals including the Medi-Cal waiver specific programs (i.e. DSRIP, LIHP, SNCP), Medi-Cal DSH, AB915 – Hospital Outpatient Supplemental Reimbursement, supplemental funding for Physician services under the State Plan, and Medi-Cal managed care SB208 (SPD IGT) and Rate Range IGT funding. In addition, they also assist county health systems with AB85 Realignment Redirection reporting and analysis.

Toyon's "Appeal Services Practice Team or Group" means the team of 8 consultants and analysts, led by Tom Knight, President and owner of Toyon Associates, focused in the recovery of Medicare & Medi-Cal reimbursements through the appeals process to obtain additional reimbursements for various types of hospitals. The Appeal Services Practice Group provides seamless integration of expert cost report preparation with proactive identification of issues which will require appeal.

#### **San Francisco General Hospital/Community Outpatient Primary Care (SFGH/COPC)**

**All reports, responses, recommendations, information, settlements, or analysis developed by Toyon described herein, shall be provided to the City to Matthew Sur, SFGH Reimbursement Manager or Valerie Inouye, SFHN finance Director.**

#### **A. GENERAL SERVICES**

##### Task 1

A Toyon V.P or Director will attend meetings either monthly or quarterly as directed by SFGH/COPC Management, to review the status of projects being performed, review findings from

contractual allowance analyses, establish priorities and discuss issues arising during the course of the engagement.

#### Task 2

Toyon will prepare the quarterly contractual allowance reviews for SFGH and COPC for the years 2018 through 2022 for the periods ending in February, June, September and November. The reviews will involve assessment of the adequacy of contractual allowance reserves and recorded cost report settlements that are on the general ledger. A Toyon V.P or Director will attend quarterly meetings with SFGH/COPC Management to review findings from contractual allowance analyses and make appropriate recommendations.

#### Task 3

Toyon will prepare interim rate reviews to the Fiscal Intermediary (FI)/Medicare Administrative Contractor (MAC) to ensure SFGH/COPC are reimbursed at proper interim rates that include validation of the bi-weekly Periodic Interim Payments received by SFGH for inpatient PPS acute services. Toyon will verify the prior years' settlement activities at SFGH for all open third-party cost report settlement accounts (including tentative settlements, finalized Notice of Program Reimbursements, etc.) to ensure accurate recording of activities and assessment of the reserves established for open cost reports for financial reporting purposes.

### **B. REIMBURSEMENT SERVICES**

#### Task 4

Toyon will provide SFGH/COPC information regarding new and proposed laws/regulations impacting SFGH/COPC. A weekly email will be distributed covering new/proposed regulations and/or relevant changes on both a federal and state level. Toyon will work with SFGH/COPC staff to further educate them on the specific regulations that will or could impact the organization.

#### Task 5

Toyon will prepare the annual OSHPD reports for the FYE June 30, 2018, June 30, 2019, June 30, 2020 and June 30, 2021 using Toyon's proprietary automation software. During preparation of the OSHPD report, Toyon will analyze information specifically impacting other Medi-Cal reimbursements that include the Low-Income Utilization Ratio (LIUR) calculation. The report will be prepared to ensure accuracy and compliance, as required by OSHPD instructions. Toyon will report to SFGH staff the updates needed in quarterly OSHPD reports to reconcile to the annual OSHPD filing. Toyon will respond to all external audit inquiries from OSHPD reviewers.

## Task 6

Toyon will prepare the SFGH FYE June 30, 2018, June 30, 2019, June 30, 2020 and June 30, 2021 Medicare and Medi-Cal cost reports using Toyon's proprietary automation software and prepare the Curry Senior Center Medicare and Medi-Cal cost and reconciliation reports. The reports will be prepared in compliance with all applicable laws, regulations and instructions, to be filed within the reporting guidelines required by the respective programs (typically five months after the end of a fiscal year). All applicable cost report schedules will be completed including Acute, Acute Psychiatric, Teaching Program, FQHC, Renal Dialysis, etc. for filing to the MAC and State of California Department of Health Care Services (DHCS). Appeal rights will be preserved through the use of the protested amounts section of the cost report and issues that are annually identified and updated by Toyon's Appeals Practice Group. The cost report preparation will also include the completion of:

Cost Report DSH related services include the following:

- DSH Eligible Days listing using the Point of Service System for Cost Report Filing
- DSH Eligible Day list completion based on the Historical Eligibility System and Toyon's proprietary system. This list will be prepared 13 months after the end of each cost report year, for purposes of optimizing the Medi-Cal eligible days for cost report finalization purposes.

Other areas of analysis, review and follow-up related to these cost reports include:

- Review wage data used for cost report filing and subsequent true-up of wage data during the CMS annual process for the development of new Medicare wage indices.
- Prepare and review the Occupational Mix filing required once every three years.
- Analyze and follow-up concerning Intern and Resident FTE recording and subsequent follow-up needed to clear over-lap issues with other health care organizations.
- Review and advise to update the time study capturing by SFGH for the identification of the Part A/B time allocation for staff physicians.
- Review the SFGH/COPC general ledger grouping used for both Cost Report and OSHPD report filings to ensure conformity with prescribed instructions.

## Task 7

Based upon the results of the cost report preparation (Task 6), Toyon will prepare estimated reimbursement settlements and recommendations that may include:

- Recording of the appropriate Medicare/Medi-Cal cost report receivable/payable (filed vs. reserved) for general ledger recording purposes.
- Improving SFGH and COPC records and/or supporting documentation.
- Identifying reimbursement optimization for SFGH and COPC costs under the Section 1115 Waiver and any subsequent Waivers.
- Preparing for Medicare MAC audits of all open cost reports covering 6/30/07 to 6/30/17.

## Task 8

Toyon will respond to questions raised by MACs or state agencies after filing and during the audits of the cost reports. Toyon will also evaluate the impact of proposed audit adjustments relative to SFGH/COPC's Medicare and Medi-Cal cost reports for FYE June 30, 2007 and subsequent fiscal periods. In addition, Toyon will review the auditors' work papers and determine the propriety of proposed adjustments. The purpose is to minimize adjustments to the SFGH/COPC reimbursement claims and to determine what issues should be disputed through appeals.

#### Task 9

Under Toyon's Public Hospital Services Team, Toyon will review the Medi-Cal Administrative Activities (MAA) quarterly financial claims for the period ending June 30, 2018, June 30, 2019, June 30, 2020 and June 30, 2021 to ensure accuracy, completeness and compliance of the reports with the Policy and Procedures Letters and State Claiming Plans. Toyon will respond to all audit inquiries.

#### Task 10

Under Toyon's Appeal Services Practice Group, Toyon will pursue all Medicare and Medi-Cal appeals related to fiscal years 1996 – 2021 and all subsequent audited cost report periods. This process includes evaluation of issues, researching, developing documentation, preparing position papers, and representing SFGH/COPC at appeal or mediation hearings at the administrative level. The goal will be to obtain administrative resolution on appealed issues whenever possible and to ensure SFGH/COPC's appeal rights are protected. Toyon will seek to maximize all appeal recoveries under the current reimbursement rules and regulations. If Toyon decides to retain an attorney or a law firm to perform any services under this Agreement, including services related to administrative proceedings Toyon will notify the City Attorney in writing, in the manner described in the Notices Section (Section 25) of this Agreement. Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services. If a settlement is proposed, Toyon will provide a summary of such settlement to the City Attorney along with its recommendations.

#### Task 11

Under Toyon's Public Hospital Service Team, Toyon will review the Assembly Bill 915 – Medi-Cal Outpatient Fee-for-Service Supplemental claims for periods ending June 30, 2018, June 30, 2019, June 30, 2020 and June 30, 2021. Toyon will also assist in the SNF wage pass-through and DP SNF supplemental claiming activities. The purpose of the reviews is to ensure compliance with claiming regulations and to ensure accuracy in the information being reported. As part of this review, Toyon will analyze the information specific to the Medi-Cal Outpatient Upper Payment Limit. Typically, the information used for this process is obtained through the purchase of paid claims reports. Toyon

does not believe that a logging process is needed for this program. Toyon will respond to all audit inquiries.

#### Task 12

Toyon's Public Hospital Service Team will respond to technical questions related to the P14 filings, the AB 85 Realignment filings and other areas impacting County hospital reporting.

#### Task 13

Toyon will assist the COPC with the Medi-Cal audits of the reconciliation report for capturing the wrap around entitlements due FQHCs. Toyon will work with the auditors to minimize audit adjustments. Should an appeal be necessary, Toyon will evaluate the issues and documentation for the adjustments and file the appeal from the finalized reports. Toyon will represent the COPC at appeal through the informal, and if necessary, the formal level processes afforded providers with the State. If needed at the formal level, Toyon will engage a mutually-agreed attorney to represent COPC at the formal level. Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services.

#### Task 14

Upon request by SFGH/COPC, Toyon will assist on other reimbursement-related projects that could increase reimbursement to the organization.

### **C. SERVICES TO INCREASE THE MEDICAID RATIO AND SSI RATIO COMPONENTS OF MEDICARE DISPROPORTIONATE REIMBURSEMENT (DSH)**

Toyon will pursue increases to the Medicaid and SSI ratios used to calculate Medicare DSH entitlements for fiscal years 1986 and after. Further, Toyon will develop strategies to ensure optimization of data used to allocate the new DSH Uncompensated Care DSH reimbursements effective October 1, 2013. DSH-related issues Toyon will pursue through appeal include, but are not limited to:

1. Dual Eligible – Medicare Part C days
2. Dual Eligible – Medicare Part A exhausted days
3. Dual Eligible – Medicare Part A non-covered days and secondary insured days.

4. Medicaid Restricted eligibility days.
5. Additional Medicaid eligible days not allowed at audit.
6. Accuracy of the SSI Ratio.
7. Additional Medicare SSI eligible days.
8. Exclusion of Medicare Part C Days and Unpaid Part A Days from the SSI Ratio.

Toyon will utilize its DSH and Appeal Services Group to perform the following:

1. Document additional Medicaid eligible days and corrections to the SSI Ratio for pursuing through appeals.
2. Toyon’s Appeal Services Group will file Medicare appeals, preliminary and final position papers, jurisdictional briefs and administrative resolution proposals.
3. If an administrative resolution is not possible, Toyon will represent SFGH in Provider Reimbursement Review Board (PRRB) Hearings. This includes development of strategies and presentation of expert witness testimony.
4. Should an unfavorable PRRB decision be issued, Toyon will notify SFGH/COPC and provide a recommendation as to whether to institute litigation. However, before any lawsuit is filed, Toyon must first advise the City Attorney and obtain approval from the City Attorney both for the filing of the lawsuit and for the selection of the law firm to be used. Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services. If a settlement is proposed, Toyon will provide a summary of such settlement to the City Attorney along with its recommendations.

Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services.

**Compensation For These Services Will Be On A Contingency Fee & No Fees Or Expenses Are Due TOYON Unless Additional Reimbursement Is Realized**

Period when appeal was originally filed	Cumulative Additional Reimbursement Generated Each Contract Year April Through March	Contingency Fee Percentage
Prior to 4/1/2014	\$1 though \$4,000,000	20%
On or After 4/1/2014	\$1 though \$4,000,000	15%

Payments for these services will be calculated per the above schedule as a percentage of the additional Medicare DSH reimbursement realized as a result of Toyon’s work. The additional reimbursement will either be a payment to SFGH by the Medicare Intermediary or a reduction of an outstanding liability

**D. INDIVIDUAL OR GROUP APPEALS**

FSP ID#: 1000002746 (SFGH)  
1000002907 (LHH)  
CMS #7435

TOYON will advise SFGH of additional appeal issue(s) that it believes should be pursued. If SFGH agrees to pursue the issue(s), DPH will sign and execute an Amendment to this Agreement with TOYON, in the same manner and upon the same essential terms as this Agreement. If SFGH agrees to pursue the issues(s) on a fee-for-service basis, those fees will fall under Section B, Task 10 above.

If SFGH agrees to pursue the issue(s) on a contingent fee basis, the applicable percentage rate will be set forth in the Amendment and will be subject to the same provisions as in Task 10.

Currently, there are three separate group appeals which are being pursued on a contingent fee basis in addition to the various Medicaid Ratio and SSI Ratio appeals. These three different appeals are: IME & GME Managed Care Appeals, Budget Neutrality/PPS Standardized Amount Appeals, and the Two-Midnight Rule/Policy Appeals. Copies of each of the signed agreements are attached and serve as Amendments to this Agreement.

Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services.

#### **E. PROFESSIONAL SERVICES**

There are times when DPH will require additional professional services. DPH shall submit a written request to TOYON with a Scope of Service. TOYON and DPH shall sign and execute an Amendment to this Agreement, in the same manner and upon the same essential terms as this Agreement, and agree on number of hours and the estimated fees required to complete the project(s). DPH will supplement this contract with additional funds to cover the additional services.

Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services.

## APPENDIX A-2

### SCOPE OF WORK

#### Laguna Honda Hospital (LHH)

**All reports, responses, recommendations, information, settlements, or analysis developed by Toyon described herein, shall be provided to the City to Teresa Tan, LHH Fiscal Operations Manager or ChiaYu Ma, LHH Chief Financial Officer.**

#### A. GENERAL SERVICES

##### Task 1

Toyon will attend four on-site meetings to be scheduled annually with Toyon engagement executive and LHH management. Conference calls will be scheduled on an as-needed basis regarding audits, cost report preparation, or other significant reimbursement issues.

#### B. REIMBURSEMENT SERVICES

##### Task 2

Toyon will assist Administrative Staff to analyze, interpret, and determine potential financial impact associated with new and proposed laws/regulations.

##### Task 3-4

Toyon will prepare the annual LHH Medicare and Medi-Cal cost reports and the Annual OSHPD Financial Disclosure Report using Toyon's proprietary automation software. The reports will be prepared in compliance with all applicable laws, regulations and instructions and within the filing deadlines required by Medicare and OSHPD. A work plan will be developed with LHH's CFO/Controller and regular progress reports will be provided. The report will be filed to ensure that all areas impacting reimbursement are optimally reported. LHH is primarily a skilled nursing facility (SNF) provider. The focus of preparation will involve the proper reporting of SNF costs for future Medi-Cal reimbursement purposes. Toyon will provide recommendations to ensure conformity with applicable regulations, including but not limited to:

- Review Wage Index and Occupational Mix Data for accuracy.
- Prepare revenue analysis and projections, as requested. LHH does not have an automated logging system
- Reconcile general ledger revenues to PS&R summary.
- Develop a methodology to extract ASC; Radiology and Other Part B charges.
- Develop a methodology to allocate physician compensation and Part A vs. Part B vs. teaching time to assigned cost centers.

##### Task 5

Based on the results of the cost report preparations (Task 4), Toyon will prepare and present a management report. LHH has little to no cost report settlement in the cost report filing. The management report primarily will involve a comparison of key data from year to year and quantitative analysis and recommendations for as-filed and audited cost reports.

#### Task 6

Toyon will reply to questions from the MAC or State Agencies concerning the cost reports filed and will support the process of audits performed for the cost reports. Toyon will also evaluate the impact of proposed audit adjustments relative to LHH's Medicare and Medi-Cal cost reports for FYE June 30, 2007 and subsequent fiscal periods. Toyon will work to minimize the audit adjustments and will identify issues for potential appeal.

#### Task 7

Toyon will prepare an interim rate review and cost settlement analysis for review by LHH's external financial auditors as part of the year-end process for the fiscal years identified under this agreement. The review will be completed based on collaboration with LHH's CFO/Controller.

#### Task 8

Toyon will pursue all viable Medicare and Medi-Cal appeals related to all open cost report settlements. Toyon will research all issues and develop documentation for preparation of position papers to Medicare and Medi-Cal. The purpose is to recover entitled reimbursement dollars through the appeal process. If settlement agreements are proposed, Toyon will provide a summary of the agreements to LHH and the City Attorney, along with its recommendations. If Toyon decides to retain an attorney or a law firm to perform any services under this Agreement, including services related to administrative or legal proceedings, Toyon will notify the City Attorney in writing, in the manner described in the Notices Section (Section 25) of this Agreement. Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services.

#### Task 9

Toyon will participate in Medicare and Medi-Cal audits and attend entrance and exit conferences as requested by LHH's CFO/Controller to facilitate audits that result in minimal adjustments impacting reimbursement.

#### Task 10

Toyon will review the DP/NF supplemental claims methodology to ensure conformity with regulations and optimize allowable reimbursement under the guidelines of the program, including the consideration of any subsequent impact to/from other reimbursement programs and related adjustments.

#### Task 11

Under Toyon's Public Hospital Service Team, Toyon will review the AB 915 Medi-Cal Outpatient fee-for-service supplemental claims covering the fiscal years in the term of this agreement. The purpose of the review is to ensure compliance and accuracy in the reported filing.

#### Task 12

Toyon will prepare quarterly contractual allowance reviews for LHH for the years identified in the term of this agreement. The review will involve the assessment of the adequacy of contractual allowance reserves on the general ledger for financial reporting purposes. A Toyon V.P or Director will attend quarterly meetings with LHH Management to review findings from contractual allowance analyses and make appropriate recommendations.

#### Task 13

Toyon will assist LHH with various other projects that will increase reimbursement upon request from LHH management. Toyon will also assist LHH with other reimbursement programs and/or supplemental claims submitted by the hospital, in the event of any disallowances by the State or federal agencies, to research on related legislations and perform financial analysis in order to appeal or resubmit claims to optimize reimbursements. This may include by not limited to:

- Review the ability to change the life of the new building for depreciation calculation and refile Medi-Cal Cost Report if necessary.
- Review the ability to change the number of years used for amortization of the capitalized interest.
- Create schedules to remove depreciation and interest associated with the bond funding that were reimbursed under SB1128 program from Medi-Cal Cost Report, but include the amortized capitalized interest.
- Recalculate and refile Medi-Cal Cost Reports as needed.
- Recalculate the revenue reserve for the periods prior to correct filing.
- Note: basic cost report analysis work should be covered by Task 3-4, and other activities related to the refiling of Medi-Cal Cost Reports should be charged Fee-for-Service under Task 13.

Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services. If a settlement is proposed, Toyon will provide a summary of such settlement to the City Attorney along with its recommendations.

### **C. INDIVIDUAL OR GROUP APPEALS**

TOYON will advise LHH of appeal issue(s) that it believes should be pursued. If LHH agrees to pursue the issue(s), DPH will sign and execute an Amendment to this Agreement with TOYON, in the same manner and upon the same essential terms as this Agreement, for each of the appeals which it wishes to participate on a contingency fee basis. If LHH agrees to pursue the issues(s) on a fee-for-service basis, those fees will fall under Section B, Task 8 above. This will include all appeals that are formed prior and during the length of this agreement for which LHH wishes to participate.

**Compensation For Services On A Contingency Fee Basis & No Fees Or Expenses Are Due TOYON Unless Additional Reimbursement Is Realized**

Period when appeal was originally filed	Cumulative Additional Reimbursement Generated Each Contract Year April Through March	Contingency Fee Percentage
Prior to 4/1/2014	\$1 though \$666,666	20%
On or After 4/1/2014	\$1 though \$666,666	No more than 15%

Payments for these services will be calculated per the above schedule as a percentage of the additional reimbursement realized as a result of Toyon’s work. The additional reimbursement will either be a payment to LHH by the Intermediary or a reduction of an outstanding liability.

Individual or Group appeal services provided by Toyon (not related to DSH), prior to 4/1/2014 as defined in this contract, will be paid under the agreed upon Contingency Fee Percentage Rate during the contract period for which the original appeal was filed.

Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services. If a settlement is proposed, Toyon will provide a summary of such settlement to the City Attorney along with its recommendations.

**D. PROFESSIONAL SERVICES**

There are times when DPH will require additional professional services. LHH shall submit a written request to TOYON with a Scope of Service. TOYON and DPH shall sign and execute an Amendment to this Agreement, in the same manner and upon the same essential terms as this Agreement, and agree on number of hours and the estimated fees required to complete the project(s). DPH will supplement this contract with additional funds to cover the additional services.

Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services. If a settlement is proposed, Toyon will provide a summary of such settlement to the City Attorney along with its recommendations.

## APPENDIX A-3

### SCOPE OF WORK

#### Health at Home Agency (HAH)

**All reports, responses, recommendations, appeals, information, settlements, or analysis developed by Toyon described herein, shall be provided to the City to Lily Ng, HAH Business Manager.**

#### HOME CARE REIMBURSEMENT AND COST REPORTING

##### Task 1

Toyon will assist administrative staff to analyze, interpret and determine potential financial impact associated with new and proposed laws/regulations.

##### Task 2

Toyon will prepare HAH's Medicare cost report for the fiscal periods under this agreement. The report will be prepared in conjunction with HAH staff and will allow adequate time for review of the report. The report will be completed within the reporting timeframe established by the Medicare program. Given the prospective payment nature of the reimbursement, this filing is largely compliance in nature and typically has no cost report settlement. Current availability of Medicare payment summary information has largely eliminated the need for Medicare logs.

##### Task 3

Toyon will respond to any inquiries from the intermediary for the Medicare cost reports filed under this agreement during the desk review process. These reports are no longer audited, as the reimbursement is under a prospective payment system (PPS) without any settlements due to/from implications.

##### Task 4

Upon the request of HAH management, Toyon will present to HAH business and administrative staff written recommendations that will help HAH improve record keeping for the cost report filing, which could help future reimbursement.

##### Task 5

Toyon will assist HAH with other projects that could help improve reimbursement upon request from HAH management. TOYON and DPH shall sign and execute an Amendment to this Agreement, in the same manner and upon the same essential terms as this Agreement, and agree on number of hours and the estimated fees required to complete the project(s). DPH will supplement this contract with additional funds to cover the additional services.

If Toyon decides to retain an attorney or a law firm to perform any services under this Agreement, including services related to administrative or legal proceedings, Toyon will notify the City Attorney in

writing, in the manner described in the Notices Section (Section 25) of this Agreement. Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services. If a settlement is proposed, Toyon will provide a summary of such settlement to the City Attorney along with its recommendations.

## Appendix A-4

### IME & GME MANAGED CARE APPEAL

Pursuant to the provisions of Section D of Appendix A-1 of the Agreement, Toyon proposes to pursue additional Medicare indirect medical education (IME) and/or graduate medical education (GME) reimbursement applicable to Medicare managed care enrollees through a group appeal.

#### 1. Background

The Medicare Program has established procedures which Providers of healthcare services must follow to pursue appeals of Medicare cost report audit adjustments. The Medicare regulations governing the administrative appeal process may be found at 42 CFR 405.1801-1889. The entity in charge of the appeal process is called the Provider Reimbursement Review Board (PRRB) and it has the authority to render decisions on all Provider cost report appeals. If the PRRB renders a decision that a Provider disagrees with, the Provider may pursue the matter through the judicial system.

#### 2. Scope of Services

Toyon will pursue additional Medicare IME and/or GME reimbursement related to Medicare managed care enrollees on behalf of San Francisco General Hospital (SFGH). Toyon's services will include, but are not limited to the following:

1. Prepare and file appeal letters to the Provider Reimbursement Review Board (PRRB) to establish Medicare appeals for additional Medicare IME and/or GME reimbursement related to Medicare managed care enrollees.
2. Establish a Group Appeal for the pursuit of additional Medicare IME and/or GME reimbursement related to Medicare managed care enrollees.
3. Develop appeal strategy, perform research, and obtain documentation needed to pursue the disputed issue.
4. Prepare and file preliminary and final position papers.
5. Review the Intermediary's preliminary and final position papers.
6. Attempt to obtain an administrative resolution with the Intermediary in advance of a PRRB hearing.
7. Represent SFGH at the PRRB hearing if an administrative resolution cannot be obtained. This includes preparation of testimony, evidence, and hearing strategy.
8. If Toyon decides to retain an attorney or a law firm to perform any services under this Appendix, including services related to administrative or legal proceedings, Toyon will notify the City Attorney in writing, in the manner described in the Notices Section (Section 25) of the Agreement. Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services.
9. Perform all follow up needed with the Medicare Program with respect to this appeal.

10. Review any revised settlements resulting from this appeal and any hearing decisions and provide recommendations to San Francisco General Hospital.
11. Should an unfavorable PRRB decision be issued, Toyon will notify SFGH and provide a recommendation as to whether to institute litigation. However, before any lawsuit is filed, Toyon must first advise the City Attorney and obtain approval from the City Attorney both for the filing of the lawsuit and for the selection of the law firm to be used. Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services. If a settlement is proposed, Toyon will provide a summary of such settlement to the City Attorney along with its recommendations.

### **3. Fiscal Periods**

The terms of this Appendix will cover all cost reporting periods ending in calendar years 1998 through 2022.

### **4. Compensation**

Payment for the services set forth in this Appendix will be calculated at 20% of the additional Medicare reimbursement realized by SFGH as a result of Toyon's work. The additional reimbursement will either be a payment to SFGH by the Medicare Intermediary or a reduction of an outstanding liability. Payment is due to Toyon within 30 days of the SFGH's receipt of reimbursement from the Medicare Intermediary or notification that its liability has been decreased. No fees or expenses are due to Toyon unless additional reimbursement is realized.

### **5. Term**

The terms in this Agreement will be effective from November 4, 2008 until the expiration or earlier termination of the professional services Agreement of which this Appendix is made a part of.

## Appendix A-5

### RURAL FLOOR BUDGET NEUTRALITY APPEAL

Pursuant to the provisions of Section D of Appendix A-1 of the Agreement, Toyon proposes to pursue additional Medicare indirect medical education (IME) and/or graduate medical education (GME) reimbursement applicable to Medicare managed care enrollees through a group appeal.

#### 1. Background

The Medicare Program has established procedures which Providers of healthcare services must follow to pursue appeals of Medicare cost report audit adjustments. The Medicare regulations governing the administrative appeal process may be found at 42 CFR 405.1801-1889. The entity in charge of the appeal process is called the Provider Reimbursement Review Board (PRRB) and it has the authority to render decisions on all Provider cost report appeals. If the PRRB renders a decision that a Provider disagrees with, the Provider may pursue the matter through the judicial system.

#### 2. Scope of Services

Toyon will pursue additional Medicare IME and/or GME reimbursement related to Medicare managed care enrollees on behalf of San Francisco General Hospital (SFGH). Toyon's services will include, but are not limited to the following:

1. Prepare and file appeal letters to the Provider Reimbursement Review Board (PRRB) to establish Medicare appeals for additional Medicare IME and/or GME reimbursement related to Medicare managed care enrollees.
2. Establish a Group Appeal for the pursuit of additional Medicare IME and/or GME reimbursement related to Medicare managed care enrollees.
3. Develop appeal strategy, perform research, and obtain documentation needed to pursue the disputed issue.
4. Prepare and file preliminary and final position papers.
5. Review the Intermediary's preliminary and final position papers.
6. Attempt to obtain an administrative resolution with the Intermediary in advance of a PRRB hearing.
7. Represent SFGH at the PRRB hearing if an administrative resolution cannot be obtained. This includes preparation of testimony, evidence, and hearing strategy.
8. If Toyon decides to retain an attorney or a law firm to perform any services under this Appendix, including services related to administrative or legal proceedings, Toyon will notify the City Attorney in writing, in the manner described in the Notices Section (Section 25) of the Agreement. Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services.
9. Perform all follow up needed with the Medicare Program with respect to this appeal.

10. Review any revised settlements resulting from this appeal and any hearing decisions and provide recommendations to San Francisco General Hospital.
11. Should an unfavorable PRRB decision be issued, Toyon will notify SFGH and provide a recommendation as to whether to institute litigation. However, before any lawsuit is filed, Toyon must first advise the City Attorney and obtain approval from the City Attorney both for the filing of the lawsuit and for the selection of the law firm to be used. Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services. If a settlement is proposed, Toyon will provide a summary of such settlement to the City Attorney along with its recommendations.

### **3. Fiscal Periods**

The terms of this Appendix will cover all cost reporting periods ending in calendar years 1998 through 2022.

### **4. Compensation**

Payment for the services set forth in this Appendix will be calculated at 20% of the additional Medicare reimbursement realized by SFGH as a result of Toyon's work. The additional reimbursement will either be a payment to SFGH by the Medicare Intermediary or a reduction of an outstanding liability. Payment is due to Toyon within 30 days of the SFGH's receipt of reimbursement from the Medicare Intermediary or notification that its liability has been decreased. No fees or expenses are due to Toyon unless additional reimbursement is realized.

### **5. Term**

The terms in this Agreement will be effective from November 4, 2008 until the expiration or earlier termination of the professional services Agreement of which this Appendix is made a part of.

## Appendix A-6

### MEDICARE APPEAL SERVICES for the “TWO-MIDNIGHT RULE/POLICY” DISPUTE

Pursuant to the provisions of Section D of Appendix A-1 of the Agreement, Toyon proposes to provide Medicare Program appeal related services for the Two-Midnight Rule/Policy Dispute.

#### 1. Background

Within the FY 2014 IPPS Final Rule published on August 19, 2013, CMS instituted a 0.2 percent rate cut. CMS justified this rate cut as necessary in order to ensure that the application of the new "two-midnight" rule / policy did not lead to an aggregate increase in yearly IPPS payments for the Medicare program. During the notice and comment period for the FY 2014 IPPS rule, comments were made that identified the existence of statistical errors in CMS' underlying calculations that supported the rate cut. CMS justified the rate cut on the basis that the two-midnight rule (which presumes that hospital inpatient stays of two days are longer are medically necessary) would lead to a net increase of 40,000 inpatient cases per year. However, an independent analysis of CMS's own data has been made and the overwhelming conclusion is the two-midnight rule would lead to a substantial decrease in inpatient stays and a large increase in outpatient encounters. Many hospital systems have analyzed the impact on their own reimbursement and have reached the same conclusion. In other words, the financial impact of the two midnight rule on providers should result in a payment *increase*, not a payment decrease. There is no substantial evidence to support CMS' conclusion, thus making the rule legally invalid.

The Medicare Program allows hospitals to appeal final determinations that originate through Medicare Administrative Contractor (MAC) determinations and *Federal Register* notifications. The regulation is 42 C.F.R. § 405.1835. The services set forth in this agreement are for the purpose of increasing the hospital's Medicare reimbursement through the Medicare appeal process.

#### 2. Scope of Services

##### Medicare Appeal Services

TOYON will pursue Medicare cost report appeals, cost report reopenings and/or appeals of final determinations issued by CMS on behalf of San Francisco General Hospital (SFGH) in pursuit of its challenge to CMS' implementation of the two-midnight rule/policy. Toyon's services will include, but are not limited to the following:

- Review the audited cost reports, Intermediary Workpapers, and *Federal Register* notices to determine the issues to be appealed and/or reopened. All issues that impact Medicare reimbursement may be pursued. The issues to be appealed / reopened may include, but are not limited to, disproportionate share, bad debts, wage index, PPS standardized amounts, allowable costs, cost finding statistics, and cost apportionment statistics. Issues may be pursued even if the time period for administrative appeal rights has been exhausted.
- Prepare and file appeal letters to the Provider Reimbursement Review Board (PRRB) to establish Medicare appeals (if not already done), to add issues to existing appeals, and/or to transfer issues to group appeals.

- Develop appeal strategy, perform research, and obtain documentation needed to pursue disputed issues.
- Prepare and file cost report reopening requests if appropriate.
- Prepare and file preliminary and final position papers.
- Review the Intermediary's preliminary and final position papers.
- Attempt to obtain administrative resolutions with the Intermediary in advance of scheduled hearings.
- If Toyon decides to retain an attorney or a law firm to perform any services under this Appendix, including services related to administrative or legal proceedings, Toyon will notify the City Attorney in writing, in the manner described in the Notices Section (Section 25) of the Agreement. Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services.
- Perform all follow up needed with the Medicare Program with respect to appeals and reopening requests.
- Review any revised settlements resulting from appeals or reopenings and any hearing decisions and provide recommendations to SFGH.
- Should an unfavorable PRRB decision be issued, Toyon will notify SFGH and provide a recommendation as to whether to institute litigation. However, before any lawsuit is filed, Toyon must first advise the City Attorney and obtain approval from the City Attorney both for the filing of the lawsuit and for the selection of the law firm to be used. Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services. If a settlement is proposed, Toyon will provide a summary of such settlement to the City Attorney along with its recommendations.
- Pursue issues directly to court or use expedited jurisdictional review if, in TOYON'S opinion, such action is deemed warranted.

### **3. San Francisco General Hospital Fiscal Periods**

This Appendix applies to the dispute described in Section 1 and the appeal services described in Section 2 for San Francisco General Hospital, federal fiscal periods beginning 10/1/2013 through 3/31/2022. Additional federal fiscal years may be added to this agreement by written amendment executed by both parties.

### **4. Compensation**

Payment for Medicare appeal services set forth in this Agreement will be calculated as 10% of the additional Medicare reimbursement realized by SFGH as a result of Toyon's work. Any previously executed Medicare appeal agreements that overlap this agreement remain in full force and effect and are not superseded or modified by the parties' execution of this agreement.

The additional reimbursement resulting from a successful appeal will either be a payment to SFGH by the Medicare Program or a reduction of an outstanding liability. Payment is due to Toyon within 30 days of SFGH'S receipt of additional reimbursement or notification that its liability has been decreased. No fees or expenses are due to Toyon unless additional reimbursement is realized.

**5. Term**

The terms in this Agreement will be effective from April 1, 2014 until the expiration or earlier termination of the professional services Agreement of which this Appendix is made a part of.

## **Appendix A-7**

### **Medicare Appeal of CY 2015 Market Basket Update Decision by CMS dated May 1, 2015**

Pursuant to the provisions of Section D of Appendix A-1 of the Agreement, Toyon propose to pursue an appeal of the CMS decision dated May 1, 2015, denying the full market basket update for calendar year 2015 on a contingent fee basis. A copy of the CMS decision which will be appealed is enclosed.

#### **Services:**

Toyon will perform the following services:

1. Research facts and develop arguments.
2. File an appeal with the PRRB.
3. Take care of all communications with the PRRB and CMS on this matter.
4. Prepare position papers as needed.
5. Develop strategy for PRRB hearing.
6. If Toyon decides to retain an attorney or a law firm to perform any services under this Appendix, including services related to administrative or legal proceedings, Toyon will notify the City Attorney in writing, in the manner described in the Notices Section (Section 25) of the Agreement. Pursuant to Section 54 of the Agreement, any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will not be paid unless the attorney or law firm received advance written approval from the City Attorney for such services.
7. Represent San Francisco General Hospital (SFGH) at the PRRB hearing.
8. Review any PRRB decision and advise SFGH as to any further recommended actions.

#### **Compensation:**

Payment for the services set forth in this Appendix will be calculated as 15% of the additional Medicare reimbursement realized by SFGH as a result of Toyon's work. The additional reimbursement will either be a payment to the Hospital by the Medicare Intermediary or a reduction of an outstanding liability. Payment is due to Toyon within 30 days of the Hospital's receipt of reimbursement from the Medicare Intermediary or notification that its liability has been decreased. No fees or expenses are due to Toyon unless additional reimbursement is realized.

**Appendix B**  
**Calculation of Charges**  
**For SFGH/COPC, HAH, & LHH**

**1. Method of Payment**

A. Appendix B-1a – B-5d are attached in the original agreement dated April 1, 2018.

Professional Fees

CONTRACTOR shall submit monthly invoices by the fifteenth (15<sup>th</sup>) working day of each month, in the format attached in Appendix F, based upon the number of units of service that were delivered in the immediately preceding month. All deliverables associated with the Services listed in Section 2 of Appendix A, times the unit rate as shown in the Program Budgets listed in Section 2 of Appendix B shall be reported on the invoice(s) each month.

Expenses

Contractor shall submit monthly invoices in the format attached in Appendix F, by the fifteen (15<sup>th</sup>) working day of each month for reimbursement of the actual costs for Services of the immediately preceding month. All costs associated with the Services shall be reported on the invoice each month. All costs incurred under this Agreement shall be due and payable only after Services have been rendered and in no case in advance of such services.

B. Appendix B-2 and B-4

Contractor shall submit an invoice within thirty (30) days of notification that SFGH/COPC and/or LHH have received additional reimbursement for services identified in Appendix B-2 and Appendix B-4. The invoice amounts will be calculated as 10-15% of the additional reimbursement received by SFGH/COPC and/or LHH. No professional fees or expenses will be billed to SFGH/COPC and/or LHH for these services unless recoveries are made.

**2. Program Budgets and Final Invoice**

A. Program Budgets are listed below and are attached in the original agreement dated April 1, 2014.

Budget Summary

Appendix B-1a SFGH/COPC April 1, 2018 – March 31, 2019

Appendix B-1b SFGH/COPC April 1, 2019 – March 31, 2020

Appendix B-1c SFGH/COPC April 1, 2020 – March 31, 2021

Appendix B-1d SFGH/COPC April 1, 2021 – March 31, 2022

Appendix B-2 Budget for Compensation for Appeal Services paid only if SFGH receives additional reimbursement, known as Contingent Fee Services

Appendix B-3a LHH April 1, 2018 – March 31, 2019

Appendix B-3b LHH April 1, 2019 – March 31, 2020

Appendix B-3c LHH April 1, 2020 – March 31, 2021

Appendix B-3d LHH April 1, 2021 – March 31, 2022

Appendix B-4 Budget for Compensation for Appeal Services paid only if LHH receives additional reimbursement, known as Contingent Fee Services

Appendix B-5d HAH April 1, 2018 – March 31, 2019

Appendix B-5b HAH April 1, 2019 – March 31, 2020

Appendix B-5c HAH April 1, 2020 – March 31, 2021

Appendix B-5d HAH April 1, 2021 – March 31, 2022

## B. COMPENSATION

Compensation shall be made in monthly payments on or before the 30<sup>th</sup> day after the Contract Administrator, in his or her sole discretion, has approved the invoice submitted by CONTRACTOR. The breakdown of costs and sources of revenue associated with this Agreement appears in Appendix B-1a through B-5d, Cost Reporting/Data Collection (CR\_DC) and Program Budget, attached hereto and incorporated by reference as though fully set forth herein. The maximum dollar obligation of the CITY under the terms of this Agreement shall not exceed **Ten Million Fifty-One Thousand, Nine Hundred Seventy-Seven Dollars (\$10,051,977)** from April 1, 2014 through March 31, 2022.

The Contractor understands that, of this maximum dollar obligation, \$1,263,840 is solely for the purpose of additional reimbursement for services identified in Appendix B-2 and Appendix B-4.

Contractor understands that, of this maximum dollar obligation, \$541,646 is included as a contingency amount and is not to be used on Appendix B, Budget, or be available to Contractor without a modification to this Agreement executed in the same manner as this Agreement or a revision to Appendix B, Budget, which has been approved by the Contract Administrator. Contractor further understands that no payment of any portion of this contingency amount will be made unless and until such modification or budget revision has been fully approved and executed in accordance with applicable CITY and Department of Public Health laws, regulations and policies/procedures and certification as to the availability of funds by the Controller. Contractor agrees to fully comply with these laws, regulations, and policies/procedures.

(1) For each fiscal year of the term of this Agreement, CONTRACTOR shall submit for approval of the CITY's Department of Public Health a revised Appendix A, Description of

Services, and a revised Appendix B, Program Budget and Cost Reporting Data Collection form, based on the CITY's allocation of funding for SERVICES for the appropriate fiscal year. CONTRACTOR shall create these Appendices in compliance with the instruction of the Department of Public Health. These Appendices shall apply only to the fiscal year for which they were created. These Appendices shall become part of this Agreement only upon approval by the CITY.

(2) CONTRACTOR understands that, of the maximum dollar obligation stated above, the total amount to be used in Appendix B, Budget and available to CONTRACTOR for the entire term of the contract is as follows, notwithstanding that for each fiscal year, the amount to be used in Appendix B, Budget and available to CONTRACTOR for that fiscal year shall confirm with the Appendix A, Description of Services, and Appendix B, program Budget and Cost Reporting Data Collection form, as approved by the CITY's Department of public Health based on the CITY's allocation of funding for SERVICES for that fiscal year.

<b>Initial Term</b>	<b>SFGH</b>	<b>HAH</b>	<b>LHH</b>	<b>TOTAL</b>
April 1, 2014 through March 31, 2015	\$869,550	\$23,180	\$202,400	\$1,095,130
April 1, 2015 through March 31, 2016	\$877,915	\$23,850	\$205,475	\$1,107,240
April 1, 2016 through March 31, 2017	\$887,980	\$24,720	\$209,345	\$1,122,045
April 1, 2017 through March 31, 2018	\$898,045	\$25,590	\$213,215	\$1,136,850
<b>Subtotal: April 1, 2014 through March 31, 2018</b>	<b>\$3,533,490</b>	<b>\$97,340</b>	<b>\$830,435</b>	<b>\$4,461,265</b>
12% Contingency	\$424,019	\$11,681	\$99,652	\$535,352
<b>Subtotal: April 1, 2014 through March 31, 2018</b>	<b>\$3,957,509</b>	<b>\$109,021</b>	<b>\$930,087</b>	<b>\$4,996,617</b>
<b>2ND AMENDMENT</b>				
April 1, 2018 through March 31, 2019	\$838,085	\$35,060	\$224,620	\$1,097,765
April 1, 2019 through March 31, 2020	\$848,950	\$36,030	\$227,610	\$1,112,590
April 1, 2020 through March 31, 2021	\$868,390	\$37,370	\$232,890	\$1,138,650
April 1, 2011 through March 31, 2022	\$887,830	\$38,710	\$238,170	\$1,164,710
Subtotal: April 1, 2018 through March 31, 2019	\$3,443,254	\$147,170	\$923,290	\$4,513,714
12% Contingency	\$413,191	\$17,660	\$110,795	\$541,646
<b>Subtotal: April 1, 2018 through March 31, 2022</b>	<b>\$3,856,445</b>	<b>\$164,830</b>	<b>\$1,034,085</b>	<b>\$5,055,360</b>
<b>Total: April 1, 2014 through March 31, 2022</b>	<b>\$7,813,954</b>	<b>\$273,851</b>	<b>\$1,964,172</b>	<b>\$10,051,977</b>

(3) CONTRACTOR understands that the CITY may need to adjust sources of revenue and agrees that these needed adjustments will become part of this Agreement by written modification to CONTRACTOR. In event that such reimbursement is terminated or reduced, this Agreement shall be terminated or proportionately reduced accordingly. In no event will CONTRACTOR be entitled to compensation in excess of these amounts for these periods without there first being a

modification of the Agreement or a revision to Appendix B, Budget, as provided for in this section of this Agreement.

C. CONTRACTOR agrees to comply with its Budget as shown in Appendix **B** in the provision of SERVICES. Changes to the budget that do not increase or reduce the maximum dollar obligation of the CITY are subject to the provisions of the Department of Public Health Policy/Procedure Regarding Contract Budget Changes. CONTRACTOR agrees to comply fully with that policy/procedure.

D. No costs or charges shall be incurred under this Agreement nor shall any payments become due to CONTRACTOR until reports, SERVICES, or both, required under this Agreement are received from CONTRACTOR and approved by the DIRECTOR as being in accordance with this Agreement. CITY may withhold payment to CONTRACTOR in any instance in which CONTRACTOR has failed or refused to satisfy any material obligation provided for under this Agreement.

E. In no event shall the CITY be liable for interest or late charges for any late payments.

## APPENDIX B-1a

### BUDGET SUMMARY

	2019	2020	2021	2022	Total	Per Year
SFGH FFS	\$463,085	\$473,950	\$493,390	\$512,830	\$1,943,254	\$485,813.57
LHH FFS	\$124,620	\$127,610	\$132,890	\$138,170	\$523,290	\$130,822.50
HAH FFS	\$35,060	\$36,030	\$37,370	\$38,710	\$147,170	\$36,792.50
	\$622,765	\$637,590	\$663,650	\$689,710	\$2,613,714	\$653,428.57

SFGH FFS	\$463,085	\$473,950	\$493,390	\$512,830	\$1,943,254	\$485,813.57
SFGH Contingency	\$100,570	\$101,874	\$104,207	\$106,540	\$413,191	\$103,297.63
SFGH Contingent Fee	\$375,000	\$375,000	\$375,000	\$375,000	\$1,500,000	\$375,000.00
	\$938,655	\$950,824	\$972,596	\$994,370	\$3,856,445	\$964,111.20

HAH FFS	\$35,060	\$36,030	\$37,370	\$38,710	\$147,170	\$36,792.50
HAH Contingency	\$4,207	\$4,324	\$4,484	\$4,645	\$17,660	\$4,415.10
	\$39,267	\$40,354	\$41,854	\$43,355	\$164,830	\$41,207.60

SFGH/HAH FFS	\$498,145	\$509,980	\$530,760	\$551,540	\$2,090,424	\$522,606.07
SFGH/HAH Contingency	\$104,777	\$106,198	\$108,691	\$111,185	\$430,851	\$107,712.73
SFGH/HAH Contingent Fee	\$375,000	\$375,000	\$375,000	\$375,000	\$1,500,000	\$375,000.00
	\$977,922	\$991,177	\$1,014,451	\$1,037,725	\$4,021,275	\$1,005,318.80

LHH FFS	\$124,620	\$127,610	\$132,890	\$138,170	\$523,290	\$130,822.50
LHH Contingency	\$26,954	\$27,313	\$27,947	\$28,580	\$110,795	\$27,698.70
LHH Contingent Fees	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000	\$100,000.00
	\$251,574	\$254,923	\$260,837	\$266,750	\$1,034,085	\$258,521.20

Service	2019	2020	2021	2022	Total	Per Year
SFGH/HAH/LHH FFS	\$622,765	\$637,590	\$663,650	\$689,710	\$2,613,714	\$653,429
SFGH/HAH/LHH CF	\$475,000	\$475,000	\$475,000	\$475,000	\$1,900,000	\$475,000
SFGH/HAH/LHH CF Contingency	\$131,732	\$133,511	\$136,638	\$139,765	\$541,646	\$135,411
SFGH/HAH/LHH Total	\$1,229,497	\$1,246,100	\$1,275,288	\$1,304,475	\$5,055,360	\$1,263,840

	ZSFG	HAH	LHH	Total
April 1, 2018 through March 31, 2019	\$838,085	\$35,060	\$224,620	\$1,097,765
April 1, 2019 through March 31, 2020	\$848,950	\$36,030	\$227,610	\$1,112,590
April 1, 2020 through March 31, 2021	\$868,390	\$37,370	\$232,890	\$1,138,650
April 1, 2011 through March 31, 2022	\$887,830	\$38,710	\$238,170	\$1,164,710
<b>Sub-total</b>	<b>\$3,443,254</b>	<b>\$147,170</b>	<b>\$923,290</b>	<b>\$4,513,714</b>
Contingency	\$413,191	\$17,660	\$110,795	\$541,646
<b>TOTAL: April 1, 2018 through March 31, 2022</b>	<b>\$3,856,445</b>	<b>\$164,830</b>	<b>\$1,034,085</b>	<b>\$5,055,360</b>

## APPENDIX B-1a

### BUDGET

April 1, 2018 – March 31, 2019

#### San Francisco General Hospital / Community Outpatient Primary Care Clinics

<b>Team Member</b>	<b>Name</b>
<b>Engagement Executive:</b>	Ronald Knapp
<b>Financial/Reimbursement Team Leader:</b>	Carrie Yee

Task	Description	Engagement Team Hours / Fees		
		Executive	Team Leader	Professional Staff
1	Mgmt Mtgs	4	4	
2	IRR/CA	8	30	215
3	Interim Rates Rev			100
4	New Reg Analysis	4	10	
5	OSHPD	2	10	100
6	Mcare/MCal CR/DSH/BD		10	202
7	Mcare/MCal CR Analysis	4	2	10
8	Mcare/MCal Audits	4	15	150
9	MAA Reviews			25
10	MCare/MCal Appeals			
11	Mcal AB915 Support			25
12	P14/AB85 Support Prep		50	675
13	COPC FQHC Audits			
14	Gen Consulting	20	20	239
<b>Total Hours</b>		46	151	1,741
<b>Hourly Billing Rate</b>		\$400	\$300	\$215
<b>Total Fees</b>		\$18,400	\$45,300	\$374,385
		<b>Fees</b>	<b>Expenses</b>	<b>Grand Total</b>
<b>Total Not-to-Exceed Tasks 1 – 14</b>		\$438,085	\$25,000	\$463,085

Note: Staff Rates Composite Average of staff levels expected to provide service. Actual Rates by staff level position will be billed on invoices.

## APPENDIX B-1b

### BUDGET

April 1, 2019 – March 31, 2020

#### San Francisco General Hospital / Community Outpatient Primary Care Clinics

<b>Team Member</b>	<b>Name</b>
<b>Engagement Executive:</b>	Ronald Knapp
<b>Financial/Reimbursement Team Leader:</b>	Carrie Yee

Task	Description	Engagement Team Hours / Fees		
		Executive	Team Leader	Professional Staff
1	Mgmt Mtgs	4	4	
2	IRR/CA	8	30	215
3	Interim Rates Rev			100
4	New Reg Analysis	4	10	
5	OSHPD	2	10	100
6	Mcare/MCal CR/DSH/BD		10	202
7	Mcare/MCal CR Analysis	4	2	10
8	Mcare/MCal Audits	4	15	150
9	MAA Reviews			25
10	MCare/MCal Appeals			
11	Mcal AB915 Support			25
12	P14/AB85 Support Prep		50	675
13	COPC FQHC Audits			
14	Gen Consulting	20	20	239
<b>Total Hours</b>		46	151	1,741
<b>Hourly Billing Rate</b>		\$415	\$310	\$220
<b>Total Fees</b>		\$19,090	\$46,810	\$383,050
		<b>Fees</b>	<b>Expenses</b>	<b>Grand Total</b>
<b>Total Not-to-Exceed Tasks 1 – 14</b>		\$448,950	\$25,000	\$473,950

Note: Staff Rates Composite Average of staff levels expected to provide service. Actual Rates by staff level position will be billed on invoices.





## APPENDIX B-2

### BUDGET

April 1, 2018 – March 31, 2022

#### San Francisco General Hospital / Community Outpatient Primary Care Clinics

CONTRACTOR will advise SFGH/COPC of appeal issue(s) that it believes should be pursued. If SFGH/COPC agrees to pursue the issue(s), it will sign and execute an agreement with the CONTRACTOR for each of the appeals which it wishes to participate on a contingency fee basis. If SFGH/COPC agrees to pursue the issues(s) on a fee-for-service basis, those fees will fall under Task 10. This will include all appeals that are formed prior and during the length of this agreement for which SFGH/COPC wishes to participate.

Compensation for Disproportionate Share Reimbursement services will be based on percentages of contingency fee rates based upon collections obtained. No fees or expenses are due to CONTRACTOR unless reimbursement is realized.

Bidders shall propose percentages of contingency fee rates based upon amounts collected. These percentage rates shall serve as the only reimbursement the vendor shall receive for Disproportionate Share reimbursement services included in this RFP. No fees "up-front" or any costs associated with the contract will be paid. **Responses to this RFP may be used to select a provider for the next eight (8) years. Bidders must bid percentage fee rates separately for each contract year up to four(4) years. Please submit fees in the format requested below. This is the only format that will be accepted.**

Contract Term	Amount of Additional Reimbursement DPH Realized as a Result of Contractor's Efforts	Contractor's Fee (% of Additional Reimbursement)	Comments
04/1/18 - 03/31/19	\$1 to \$2,500,000	15%	New Appeals
04/1/19 - 03/31/20	\$1 to \$2,500,000	15%	New Appeals
04/1/20 - 03/31/21	\$1 to \$2,500,000	15%	New Appeals
04/1/21 - 03/31/22	\$1 to \$2,500,000	15%	New Appeals

Note:

1. All new appeals filed on or after 4/1/18 will be subject to a 15% contingent fee with a maximum fee of \$600,000 per contract year

## APPENDIX B-3a

### BUDGET

April 1, 2018 – March 31, 2019

#### Laguna Honda Hospital

<b>Team Member</b>	<b>Name</b>
<b>Engagement Executive:</b>	Ronald Knapp
<b>Financial/Reimbursement Team Leader:</b>	Carrie Yee

Task	Description	Engagement Team Hours / Fees		
		Executive	Team Leader	Professional Staff
1	Status Meetings	4		
2	Law/Reg Analysis			
3	Mcare/MCal CR Prep		4	96
4	OSHDP Prep/Sup		10	70
5	CR Settlement Analysis			
6	CR Audit Support		3	3
7	Interim Rate Analysis			
8	Mcare/MCal Appeals			
9	CR Audit Support			19
10	DP SNF Supplemental		3	55
11	AB915 Review			25
12	IRR/CA		10	90
13	General Consulting	6	20	110
<b>Total Hours</b>		10	50	468
<b>Hourly Billing Rate</b>		\$400	\$300	\$215
<b>Total Fees</b>		\$4,000	\$15,000	\$100,620
		<b>Fees</b>	<b>Expenses</b>	<b>Grand Total</b>
<b>Total Not-to-Exceed Tasks 1 – 13</b>		\$119,620	\$5,000	\$124,620

Note: Staff Rates reflect a composite average of staff levels expected to provide service. Actual Rates by staff level position will be billed on invoices.

## APPENDIX B-3b

### BUDGET

April 1, 2019 – March 31, 2020

#### Laguna Honda Hospital

<b>Team Member</b>	<b>Name</b>
<b>Engagement Executive:</b>	Ronald Knapp
<b>Financial/Reimbursement Team Leader:</b>	Carrie Yee

Task	Description	Engagement Team Hours / Fees		
		Executive	Team Leader	Professional Staff
1	Status Meetings	4		
2	Law/Reg Analysis			
3	Mcare/MCal CR Prep		4	96
4	OSHDP Prep/Sup		10	70
5	CR Settlement Analysis			
6	CR Audit Support		3	3
7	Interim Rate Analysis			
8	Mcare/MCal Appeals			
9	CR Audit Support			19
10	DP SNF Supplemental		3	55
11	AB915 Review			25
12	IRR/CA		10	90
13	General Consulting	6	20	110
<b>Total Hours</b>		10	50	468
<b>Hourly Billing Rate</b>		\$415	\$310	\$220
<b>Total Fees</b>		\$4,150	\$15,500	\$102,960
		<b>Fees</b>	<b>Expenses</b>	<b>Grand Total</b>
<b>Total Not-to-Exceed Tasks 1 – 13</b>		\$122,610	\$5,000	\$127,610

Note: Staff Rates reflect a composite average of staff levels expected to provide service. Actual Rates by staff level position will be billed on invoices.

## APPENDIX B-3c

### BUDGET

April 1, 2020 – March 31, 2021

#### Laguna Honda Hospital

<b>Team Member</b>	<b>Name</b>
<b>Engagement Executive:</b>	Ronald Knapp
<b>Financial/Reimbursement Team Leader:</b>	Carrie Yee

Task	Description	Engagement Team Hours / Fees		
		Executive	Team Leader	Professional Staff
1	Status Meetings	4		
2	Law/Reg Analysis			
3	Mcare/MCal CR Prep		4	96
4	OSHDP Prep/Sup		10	70
5	CR Settlement Analysis			
6	CR Audit Support		3	3
7	Interim Rate Analysis			
8	Mcare/MCal Appeals			
9	CR Audit Support			19
10	DP SNF Supplemental		3	55
11	AB915 Review			25
12	IRR/CA		10	90
13	General Consulting	6	20	110
<b>Total Hours</b>		10	50	468
<b>Hourly Billing Rate</b>		\$425	\$320	\$230
<b>Total Fees</b>		\$4,250	\$16,000	\$107,640
		<b>Fees</b>	<b>Expenses</b>	<b>Grand Total</b>
<b>Total Not-to-Exceed Tasks 1 – 13</b>		\$127,890	\$5,000	\$132,890

Note: Staff Rates reflect a composite average of staff levels expected to provide service. Actual Rates by staff level position will be billed on invoices.

## APPENDIX B-3d

### BUDGET

April 1, 2021 – March 31, 2022

#### Laguna Honda Hospital

<b>Team Member</b>	<b>Name</b>
<b>Engagement Executive:</b>	Ronald Knapp
<b>Financial/Reimbursement Team Leader:</b>	Carrie Yee

Task	Description	Engagement Team Hours / Fees		
		Executive	Team Leader	Professional Staff
1	Status Meetings	4		
2	Law/Reg Analysis			
3	Mcare/MCal CR Prep		4	96
4	OSHDP Prep/Sup		10	70
5	CR Settlement Analysis			
6	CR Audit Support		3	3
7	Interim Rate Analysis			
8	Mcare/MCal Appeals			
9	CR Audit Support			19
10	DP SNF Supplemental		3	55
11	AB915 Review			25
12	IRR/CA		10	90
13	General Consulting	6	20	110
<b>Total Hours</b>		10	50	468
<b>Hourly Billing Rate</b>		\$435	\$330	\$240
<b>Total Fees</b>		\$4,350	\$16,500	\$112,320
		<b>Fees</b>	<b>Expenses</b>	<b>Grand Total</b>
<b>Total Not-to-Exceed Tasks 1 – 13</b>		\$133,170	\$5,000	\$138,170

Note: Staff Rates reflect a composite average of staff levels expected to provide service. Actual Rates by staff level position will be billed on invoices.

## APPENDIX B-4

### BUDGET

April 1, 2018 – March 31, 2022

#### Laguna Honda Hospital

CONTRACTOR will advise SFGH/COPC of appeal issue(s) that it believes should be pursued. If SFGH/COPC agrees to pursue the issue(s), it will sign and execute an agreement with the CONTRACTOR for each of the appeals which it wishes to participate on a contingency fee basis. If SFGH/COPC agrees to pursue the issues(s) on a fee-for-service basis, those fees will fall under Task 10. This will include all appeals that are formed prior and during the length of this agreement for which SFGH/COPC wishes to participate.

Compensation for Disproportionate Share Reimbursement services will be based on percentages of contingency fee rates based upon collections obtained. No fees or expenses are due to CONTRACTOR unless reimbursement is realized.

Bidders shall propose percentages of contingency fee rates based upon amounts collected. These percentage rates shall serve as the only reimbursement the vendor shall receive for Disproportionate Share reimbursement services included in this RFP. No fees "up-front" or any costs associated with the contract will be paid. **Responses to this RFP may be used to select a provider for the next eight (8) years. Bidders must bid percentage fee rates separately for each contract year up to four(4) years. Please submit fees in the format requested below. This is the only format that will be accepted.**

Contract Term	Amount of Additional Reimbursement DPH Realized as a Result of Contractor's Efforts	Contractor's Fee (% of Additional Reimbursement)	Comments
04/1/18 - 03/31/19	\$1 to \$666,667	15%	New Appeals
04/1/19 - 03/31/20	\$1 to \$666,667	15%	New Appeals
04/1/20 - 03/31/21	\$1 to \$666,667	15%	New Appeals
04/1/21 - 03/31/22	\$1 to \$666,667	15%	New Appeals

Note:

1. All new appeals filed on or after 4/1/18 will be subject to a 15% contingent fee with a maximum fee of \$100,000 per contract year

## APPENDIX B-5a

### BUDGET

April 1, 2018 – March 31, 2019

#### Health at Home

Team Member	Name
Engagement Executive:	Ronald Knapp
Financial/Reimbursement Team Leader:	Carrie Yee

Task	Description	Engagement Team Hours / Fees		
		Executive	Team Leader	Professional Staff
1	Law/Reg Analysis	1	16	8
2	Mcare CR Prep	1	4	40
3	MAC Response	1	4	8
4	Process Improvement	2	4	8
5	General Consulting	5	12	20
<b>Total Hours</b>		10	40	84
<b>Hourly Billing Rate</b>		\$400	\$300	\$215
<b>Total Fees</b>		\$4,000	\$12,000	\$18,060
		<b>Fees</b>	<b>Expenses</b>	<b>Grand Total</b>
<b>Total Not-to-Exceed Tasks 1 – 5</b>		\$34,060	\$1,000	\$35,060

Note: Staff Rates reflect a composite average of staff levels expected to provide service. Actual Rates by staff level position will be billed on invoices.

**APPENDIX B-5b**

**BUDGET**

**April 1, 2019 – March 31, 2020**

**Health at Home**

<b>Team Member</b>	<b>Name</b>
<b>Engagement Executive:</b>	Ronald Knapp
<b>Financial/Reimbursement Team Leader:</b>	Carrie Yee

Task	Description	Engagement Team Hours / Fees		
		Executive	Team Leader	Professional Staff
1	Law/Reg Analysis	1	16	8
2	Mcare CR Prep	1	4	40
3	MAC Response	1	4	8
4	Process Improvement	2	4	8
5	General Consulting	5	12	20
<b>Total Hours</b>		10	40	84
<b>Hourly Billing Rate</b>		\$415	\$310	\$220
<b>Total Fees</b>		\$4,150	\$12,400	\$18,480
		<b>Fees</b>	<b>Expenses</b>	<b>Grand Total</b>
<b>Total Not-to-Exceed Tasks 1 – 5</b>		\$35,030	\$1,000	\$36,030

Note: Staff Rates reflect a composite average of staff levels expected to provide service. Actual Rates by staff level position will be billed on invoices.

## APPENDIX B-5c

### BUDGET

April 1, 2020 – March 31, 2021

#### Health at Home

<b>Team Member</b>	<b>Name</b>
<b>Engagement Executive:</b>	Ronald Knapp
<b>Financial/Reimbursement Team Leader:</b>	Carrie Yee

Task	Description	Engagement Team Hours / Fees		
		Executive	Team Leader	Professional Staff
1	Law/Reg Analysis	1	16	8
2	Mcare CR Prep	1	4	40
3	MAC Response	1	4	8
4	Process Improvement	2	4	8
5	General Consulting	5	12	20
<b>Total Hours</b>		10	40	84
<b>Hourly Billing Rate</b>		\$425	\$320	\$230
<b>Total Fees</b>		\$4,250	\$12,800	\$19,320
		<b>Fees</b>	<b>Expenses</b>	<b>Grand Total</b>
<b>Total Not-to-Exceed Tasks 1 – 5</b>		\$36,370	\$1,000	\$37,370

Note: Staff Rates reflect a composite average of staff levels expected to provide service. Actual Rates by staff level position will be billed on invoices.

## APPENDIX B-5d

### BUDGET

April 1, 2021 – March 31, 2022

#### Health at Home

<b>Team Member</b>	<b>Name</b>
<b>Engagement Executive:</b>	Ronald Knapp
<b>Financial/Reimbursement Team Leader:</b>	Carrie Yee

Task	Description	Engagement Team Hours / Fees		
		Executive	Team Leader	Professional Staff
1	Law/Reg Analysis	1	16	8
2	Mcare CR Prep	1	4	40
3	MAC Response	1	4	8
4	Process Improvement	2	4	8
5	General Consulting	5	12	20
<b>Total Hours</b>		10	40	84
<b>Hourly Billing Rate</b>		\$435	\$330	\$240
<b>Total Fees</b>		\$4,350	\$13,200	\$20,160
		<b>Fees</b>	<b>Expenses</b>	<b>Grand Total</b>
<b>Total Not-to-Exceed Tasks 1 – 5</b>		\$37,710	\$1,000	\$38,710

Note: Staff Rates reflect a composite average of staff levels expected to provide service. Actual Rates by staff level position will be billed on invoices.

## APPENDIX E



San Francisco Department of Public Health

Business Associate Agreement

Toyon Associates, Inc.

April 1, 2018

This Business Associate Agreement (“BAA”) supplements and is made a part of the contract by and between the City and County of San Francisco, the Covered Entity (“CE”), and Contractor, the Business Associate (“BA”) (the “Agreement”). To the extent that the terms of the Agreement are inconsistent with the terms of this BAA, the terms of this BAA shall control.<sup>2</sup>

### RECITALS

- A. CE, by and through the San Francisco Department of Public Health (“SFDPH”), wishes to disclose certain information to BA pursuant to the terms of the Agreement, some of which may constitute Protected Health Information (“PHI”) (defined below).
- B. For purposes of the Agreement, CE requires Contractor, even if Contractor is also a covered entity under HIPAA, to comply with the terms and conditions of this BAA as a BA of CE.
- C. CE and BA intend to protect the privacy and provide for the security of PHI disclosed to BA pursuant to the Agreement in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (“the HITECH Act”), and regulations promulgated there under by the U.S. Department of Health and Human Services (the “HIPAA Regulations”) and other applicable laws, including, but not limited to, California Civil Code §§ 56, et seq., California Health and Safety Code § 1280.15, California Civil Code §§ 1798, et seq., California Welfare & Institutions Code §§5328, et seq., and the regulations promulgated there under (the “California Regulations”).
- D. As part of the HIPAA Regulations, the Privacy Rule and the Security Rule (defined below) require CE to enter into a contract containing specific requirements with BA prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, Sections 164.314(a), 164.502(a) and (e) and 164.504(e) of the Code of Federal Regulations (“C.F.R.”) and contained in this BAA.
- E. BA enters into agreements with CE that require the CE to disclose certain identifiable health information to BA. The parties desire to enter into this BAA to permit BA to have access to such information and comply with the BA requirements of HIPAA, the HITECH Act, and the corresponding Regulations.

In consideration of the mutual promises below and the exchange of information pursuant to this BAA, the parties agree as follows:

#### 1. Definitions.

a. **Breach** means the unauthorized acquisition, access, use, or disclosure of PHI that compromises the security or privacy of such information, except where an unauthorized person to whom such information is disclosed would not reasonably have been able to retain such information, and shall have the meaning given to such term under the HITECH Act and HIPAA Regulations [42 U.S.C. Section 17921 and 45 C.F.R. Section 164.402], as well as California Civil Code Sections 1798.29 and 1798.82.

## APPENDIX E



San Francisco Department of Public Health

Business Associate Agreement

Toyon Associates, Inc.

April 1, 2018

- b. Breach Notification Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and D.
- c. Business Associate** is a person or entity that performs certain functions or activities that involve the use or disclosure of protected health information received from a covered entity, but other than in the capacity of a member of the workforce of such covered entity or arrangement, and shall have the meaning given to such term under the Privacy Rule, the Security Rule, and the HITECH Act, including, but not limited to, 42 U.S.C. Section 17938 and 45 C.F.R. Section 160.103.
- d. Covered Entity** means a health plan, a health care clearinghouse, or a health care provider who transmits any information in electronic form in connection with a transaction covered under HIPAA Regulations, and shall have the meaning given to such term under the Privacy Rule and the Security Rule, including, but not limited to, 45 C.F.R. Section 160.103.
- e. Data Aggregation** means the combining of Protected Information by the BA with the Protected Information received by the BA in its capacity as a BA of another CE, to permit data analyses that relate to the health care operations of the respective covered entities, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- f. Designated Record Set** means a group of records maintained by or for a CE, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- g. Electronic Protected Health Information** means Protected Health Information that is maintained in or transmitted by electronic media and shall have the meaning given to such term under HIPAA and the HIPAA Regulations, including, but not limited to, 45 C.F.R. Section 160.103. For the purposes of this BAA, Electronic PHI includes all computerized data, as defined in California Civil Code Sections 1798.29 and 1798.82.
- h. Electronic Health Record** means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff, and shall have the meaning given to such term under the HITECH Act, including, but not limited to, 42 U.S.C. Section 17921.
- i. Health Care Operations** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- j. Privacy Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and E.
- k. Protected Health Information or PHI** means any information, including electronic PHI, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and

FSP ID #:

1000002746 (SFGH)

1000002907 (LHH)

## APPENDIX E



San Francisco Department of Public Health

Business Associate Agreement

Toyon Associates, Inc.

April 1, 2018

shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Sections 160.103 and 164.501. For the purposes of this BAA, PHI includes all medical information and health insurance information as defined in California Civil Code Sections 56.05 and 1798.82.

**l. Protected Information** shall mean PHI provided by CE to BA or created, maintained, received or transmitted by BA on CE's behalf.

**m. Security Incident** means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system, and shall have the meaning given to such term under the Security Rule, including, but not limited to, 45 C.F.R. Section 164.304.

**n. Security Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and C.

**o. Unsecured PHI** means PHI that is not secured by a technology standard that renders PHI unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute, and shall have the meaning given to such term under the HITECH Act and any guidance issued pursuant to such Act including, but not limited to, 42 U.S.C. Section 17932(h) and 45 C.F.R. Section 164.402.

### 2. Obligations of Business Associate.

**a. Attestations.** Except when CE's data privacy officer exempts BA in writing, the BA shall complete the following forms, attached and incorporated by reference as though fully set forth herein, SFDPH Attestations for Privacy (Attachment 1) and Data Security (Attachment 2) within sixty (60) calendar days from the execution of the Agreement. If CE makes substantial changes to any of these forms during the term of the Agreement, the BA will be required to complete CE's updated forms within sixty (60) calendar days from the date that CE provides BA with written notice of such changes. BA shall retain such records for a period of seven years after the Agreement terminates and shall make all such records available to CE within 15 calendar days of a written request by CE.

**b. User Training.** The BA shall provide, and shall ensure that BA subcontractors, provide, training on PHI privacy and security, including HIPAA and HITECH and its regulations, to each employee or agent that will access, use or disclose Protected Information, upon hire and/or prior to accessing, using or disclosing Protected Information for the first time, and at least annually thereafter during the term of the Agreement. BA shall maintain, and shall ensure that BA subcontractors maintain, records indicating the name of each employee or agent and date on which the PHI privacy and security trainings were completed. BA shall retain, and ensure that BA subcontractors retain, such records for a period of seven years after the Agreement terminates and shall make all such records available to CE within 15 calendar days of a written request by CE.

**c. Permitted Uses.** BA may use, access, and/or disclose Protected Information only for the purpose of performing BA's obligations for, or on behalf of, the City and as permitted or required under the

## APPENDIX E



San Francisco Department of Public Health

Business Associate Agreement

Toyon Associates, Inc.

April 1, 2018

Agreement and BAA, or as required by law. Further, BA shall not use Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so used by CE. However, BA may use Protected Information as necessary (i) for the proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) as required by law; or (iv) for Data Aggregation purposes relating to the Health Care Operations of CE [45 C.F.R. Sections 164.502, 164.504(e)(2). and 164.504(e)(4)(i)].

**d. Permitted Disclosures.** BA shall disclose Protected Information only for the purpose of performing BA's obligations for, or on behalf of, the City and as permitted or required under the Agreement and BAA, or as required by law. BA shall not disclose Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so disclosed by CE. However, BA may disclose Protected Information as necessary (i) for the proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) as required by law; or (iv) for Data Aggregation purposes relating to the Health Care Operations of CE. If BA discloses Protected Information to a third party, BA must obtain, prior to making any such disclosure, (i) reasonable written assurances from such third party that such Protected Information will be held confidential as provided pursuant to this BAA and used or disclosed only as required by law or for the purposes for which it was disclosed to such third party, and (ii) a written agreement from such third party to immediately notify BA of any breaches, security incidents, or unauthorized uses or disclosures of the Protected Information in accordance with paragraph 2 (n) of this BAA, to the extent it has obtained knowledge of such occurrences [42 U.S.C. Section 17932; 45 C.F.R. Section 164.504(e)]. BA may disclose PHI to a BA that is a subcontractor and may allow the subcontractor to create, receive, maintain, or transmit Protected Information on its behalf, if the BA obtains satisfactory assurances, in accordance with 45 C.F.R. Section 164.504(e)(1), that the subcontractor will appropriately safeguard the information [45 C.F.R. Section 164.502(e)(1)(ii)].

**e. Prohibited Uses and Disclosures.** BA shall not use or disclose Protected Information other than as permitted or required by the Agreement and BAA, or as required by law. BA shall not use or disclose Protected Information for fundraising or marketing purposes. BA shall not disclose Protected Information to a health plan for payment or health care operations purposes if the patient has requested this special restriction, and has paid out of pocket in full for the health care item or service to which the Protected Information solely relates [42 U.S.C. Section 17935(a) and 45 C.F.R. Section 164.522(a)(1)(vi)]. BA shall not directly or indirectly receive remuneration in exchange for Protected Information, except with the prior written consent of CE and as permitted by the HITECH Act, 42 U.S.C. Section 17935(d)(2), and the HIPAA regulations, 45 C.F.R. Section 164.502(a)(5)(ii); however, this prohibition shall not affect payment by CE to BA for services provided pursuant to the Agreement.

**f. Appropriate Safeguards.** BA shall take the appropriate security measures to protect the confidentiality, integrity and availability of PHI that it creates, receives, maintains, or transmits on behalf of the CE, and shall prevent any use or disclosure of PHI other than as permitted by the Agreement or this BAA, including, but not limited to, administrative, physical and technical safeguards in accordance with the Security Rule, including, but not limited to, 45 C.F.R. Sections 164.306, 164.308, 164.310, 164.312, 164.314

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164.316, and 164.504(e)(2)(ii)(B). BA shall comply with the policies and procedures and documentation requirements of the Security Rule, including, but not limited to, 45 C.F.R. Section 164.316, and 42 U.S.C. Section 17931. BA is responsible for any civil penalties assessed due to an audit or investigation of BA, in accordance with 42 U.S.C. Section 17934(c).

**g. Business Associate's Subcontractors and Agents.** BA shall ensure that any agents and subcontractors that create, receive, maintain or transmit Protected Information on behalf of BA, agree in writing to the same restrictions and conditions that apply to BA with respect to such PHI and implement the safeguards required by paragraph 2.f. above with respect to Electronic PHI [45 C.F.R. Section 164.504(e)(2) through (e)(5); 45 C.F.R. Section 164.308(b)]. BA shall mitigate the effects of any such violation.

**h. Accounting of Disclosures.** Within ten (10) calendar days of a request by CE for an accounting of disclosures of Protected Information or upon any disclosure of Protected Information for which CE is required to account to an individual, BA and its agents and subcontractors shall make available to CE the information required to provide an accounting of disclosures to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.528, and the HITECH Act, including but not limited to 42 U.S.C. Section 17935 (c), as determined by CE. BA agrees to implement a process that allows for an accounting to be collected and maintained by BA and its agents and subcontractors for at least seven (7) years prior to the request. However, accounting of disclosures from an Electronic Health Record for treatment, payment or health care operations purposes are required to be collected and maintained for only three (3) years prior to the request, and only to the extent that BA maintains an Electronic Health Record. At a minimum, the information collected and maintained shall include: (i) the date of disclosure; (ii) the name of the entity or person who received Protected Information and, if known, the address of the entity or person; (iii) a brief description of Protected Information disclosed; and (iv) a brief statement of purpose of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure [45 C.F.R. 164.528(b)(2)]. If an individual or an individual's representative submits a request for an accounting directly to BA or its agents or subcontractors, BA shall forward the request to CE in writing within five (5) calendar days.

**i. Access to Protected Information.** BA shall make Protected Information maintained by BA or its agents or subcontractors in Designated Record Sets available to CE for inspection and copying within (5) days of request by CE to enable CE to fulfill its obligations under state law [Health and Safety Code Section 123110] and the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.524 [45 C.F.R. Section 164.504(e)(2)(ii)(E)]. If BA maintains Protected Information in electronic format, BA shall provide such information in electronic format as necessary to enable CE to fulfill its obligations under the HITECH Act and HIPAA Regulations, including, but not limited to, 42 U.S.C. Section 17935(e) and 45 C.F.R. 164.524.

**j. Amendment of Protected Information.** Within ten (10) days of a request by CE for an amendment of Protected Information or a record about an individual contained in a Designated Record Set,

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BA and its agents and subcontractors shall make such Protected Information available to CE for amendment and incorporate any such amendment or other documentation to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R Section 164.526. If an individual requests an amendment of Protected Information directly from BA or its agents or subcontractors, BA must notify CE in writing within five (5) days of the request and of any approval or denial of amendment of Protected Information maintained by BA or its agents or subcontractors [45 C.F.R. Section 164.504(e)(2)(ii)(F)].

**k. Governmental Access to Records.** BA shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to CE and to the Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining BA's compliance with HIPAA [45 C.F.R. Section 164.504(e)(2)(ii)(I)]. BA shall provide CE a copy of any Protected Information and other documents and records that BA provides to the Secretary concurrently with providing such Protected Information to the Secretary.

**l. Minimum Necessary.** BA, its agents and subcontractors shall request, use and disclose only the minimum amount of Protected Information necessary to accomplish the intended purpose of such use, disclosure, or request. [42 U.S.C. Section 17935(b); 45 C.F.R. Section 164.514(d)]. BA understands and agrees that the definition of "minimum necessary" is in flux and shall keep itself informed of guidance issued by the Secretary with respect to what constitutes "minimum necessary" to accomplish the intended purpose in accordance with HIPAA and HIPAA Regulations.

**m. Data Ownership.** BA acknowledges that BA has no ownership rights with respect to the Protected Information.

**n. Notification of Breach.** BA shall notify CE within 5 calendar days of any breach of Protected Information; any use or disclosure of Protected Information not permitted by the BAA; any Security Incident (except as otherwise provided below) related to Protected Information, and any use or disclosure of data in violation of any applicable federal or state laws by BA or its agents or subcontractors. The notification shall include, to the extent possible, the identification of each individual whose unsecured Protected Information has been, or is reasonably believed by the BA to have been, accessed, acquired, used, or disclosed, as well as any other available information that CE is required to include in notification to the individual, the media, the Secretary, and any other entity under the Breach Notification Rule and any other applicable state or federal laws, including, but not limited to, 45 C.F.R. Section 164.404 through 45 C.F.R. Section 164.408, at the time of the notification required by this paragraph or promptly thereafter as information becomes available. BA shall take (i) prompt corrective action to cure any deficiencies and (ii) any action pertaining to unauthorized uses or disclosures required by applicable federal and state laws. [42 U.S.C. Section 17921; 42 U.S.C. Section 17932; 45 C.F.R. 164.410; 45 C.F.R. Section 164.504(e)(2)(ii)(C); 45 C.F.R. Section 164.308(b)]

**o. Breach Pattern or Practice by Business Associate's Subcontractors and Agents.** Pursuant to 42 U.S.C. Section 17934(b) and 45 C.F.R. Section 164.504(e)(1)(iii), if the BA knows of a pattern of activity or practice of a subcontractor or agent that constitutes a material breach or violation of the

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subcontractor or agent's obligations under the Contract or this BAA, the BA must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, the BA must terminate the contractual arrangement with its subcontractor or agent, if feasible. BA shall provide written notice to CE of any pattern of activity or practice of a subcontractor or agent that BA believes constitutes a material breach or violation of the subcontractor or agent's obligations under the Contract or this BAA within five (5) calendar days of discovery and shall meet with CE to discuss and attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.

### 3. Termination.

**a. Material Breach.** A breach by BA of any provision of this BAA, as determined by CE, shall constitute a material breach of the Agreement and this BAA and shall provide grounds for immediate termination of the Agreement and this BAA, any provision in the AGREEMENT to the contrary notwithstanding. [45 C.F.R. Section 164.504(e)(2)(iii).]

**b. Judicial or Administrative Proceedings.** CE may terminate the Agreement and this BAA, effective immediately, if (i) BA is named as defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws or (ii) a finding or stipulation that the BA has violated any standard or requirement of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws is made in any administrative or civil proceeding in which the party has been joined.

**c. Effect of Termination.** Upon termination of the Agreement and this BAA for any reason, BA shall, at the option of CE, return or destroy all Protected Information that BA and its agents and subcontractors still maintain in any form, and shall retain no copies of such Protected Information. If return or destruction is not feasible, as determined by CE, BA shall continue to extend the protections and satisfy the obligations of Section 2 of this BAA to such information, and limit further use and disclosure of such PHI to those purposes that make the return or destruction of the information infeasible [45 C.F.R. Section 164.504(e)(2)(ii)(J)]. If CE elects destruction of the PHI, BA shall certify in writing to CE that such PHI has been destroyed in accordance with the Secretary's guidance regarding proper destruction of PHI.

**d. Civil and Criminal Penalties.** BA understands and agrees that it is subject to civil or criminal penalties applicable to BA for unauthorized use, access or disclosure or Protected Information in accordance with the HIPAA Regulations and the HITECH Act including, but not limited to, 42 U.S.C. 17934 (c).

**e. Disclaimer.** CE makes no warranty or representation that compliance by BA with this BAA, HIPAA, the HITECH Act, or the HIPAA Regulations or corresponding California law provisions will be adequate or satisfactory for BA's own purposes. BA is solely responsible for all decisions made by BA regarding the safeguarding of PHI.

### 4. Amendment to Comply with Law.

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The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the Agreement or this BAA may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations and other applicable state or federal laws relating to the security or confidentiality of PHI. The parties understand and agree that CE must receive satisfactory written assurance from BA that BA will adequately safeguard all Protected Information. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this BAA embodying written assurances consistent with the updated standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other applicable state or federal laws. CE may terminate the Agreement upon thirty (30) days written notice in the event (i) BA does not promptly enter into negotiations to amend the Agreement or this BAA when requested by CE pursuant to this section or (ii) BA does not enter into an amendment to the Agreement or this BAA providing assurances regarding the safeguarding of PHI that CE, in its sole discretion, deems sufficient to satisfy the standards and requirements of applicable laws.

### **5. Reimbursement for Fines or Penalties.**

In the event that CE pays a fine to a state or federal regulatory agency, and/or is assessed civil penalties or damages through private rights of action, based on an impermissible access, use or disclosure of PHI by BA or its subcontractors or agents, then BA shall reimburse CE in the amount of such fine or penalties or damages within thirty (30) calendar days from City's written notice to BA of such fines, penalties or damages.

Attachment 1 – SFDPH Privacy Attestation, version 06-07-2017

Attachment 2 – SFDPH Data Security Attestation, version 06-07-2017

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Office of Compliance and Privacy Affairs

San Francisco Department of Public Health

101 Grove Street, Room 330, San Francisco, CA 94102

Email: [compliance.privacy@sfdph.org](mailto:compliance.privacy@sfdph.org)

Hotline (Toll-Free): 1-855-729-6040

Contractor Name:		Contractor City Vendor ID	
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**PRIVACY ATTESTATION**

**INSTRUCTIONS:** Contractors and Partners who receive or have access to health or medical information or electronic health record systems maintained by SFDPH must complete this form. Retain completed Attestations in your files for a period of 7 years. Be prepared to submit completed attestations, along with evidence related to the following items, if requested to do so by SFDPH.

**Exceptions:** If you believe that a requirement is Not Applicable to you, see instructions below in Section IV on how to request clarification or obtain an exception.

**I. All Contractors.**

DOES YOUR ORGANIZATION...							Yes	No*
A	Have formal Privacy Policies that comply with the Health Insurance Portability and Accountability Act (HIPAA)?							
B	Have a Privacy Officer or other individual designated as the person in charge of investigating privacy breaches or related incidents?							
	If yes:	Name & Title:		Phone #		Email:		
C	Require health information Privacy Training upon hire and annually thereafter for all employees who have access to health information? [Retain documentation of trainings for a period of 7 years.] [SFDPH privacy training materials are available for use; contact OCPA at 1-855-729-6040.]							
D	Have proof that employees have signed a form upon hire and annually thereafter, with their name and the date, acknowledging that they have received health information privacy training? [Retain documentation of acknowledgement of trainings for a period of 7 years.]							
E	Have (or will have if/when applicable) Business Associate Agreements with subcontractors who create, receive, maintain, transmit, or access SFDPH's health information?							
F	Assure that staff who create, or transfer health information (via laptop, USB/thumb-drive, handheld), have prior supervisorial authorization to do so <b>AND</b> that health information is <b>only transferred or created on encrypted devices approved by SFDPH Information Security staff?</b>							

**II. Contractors who serve patients/clients and have access to SFDPH PHI, must also complete this section.**

If Applicable: DOES YOUR ORGANIZATION...							Yes	No*
G	Have (or will have if/when applicable) evidence that SFDPH Service Desk (628-206-SERV) was notified to de-provision employees who have access to SFDPH health information record systems within 2 business days for regular terminations and within 24 hours for terminations due to cause?							
H	Have evidence in each patient's / client's chart or electronic file that a <a href="#">Privacy Notice</a> that meets HIPAA regulations was provided in the patient's / client's preferred language? (English, Cantonese, Vietnamese, Tagalog, Spanish, Russian forms may be required and are available from SFDPH.)							
I	Visibly post the Summary of the Notice of Privacy Practices in all six languages in common patient areas of your treatment facility?							
J	Document each disclosure of a patient's/client's health information for purposes <u>other than</u> treatment, payment, or operations?							
K	When required by law, have proof that signed authorization for disclosure forms (that meet the requirements of the HIPAA Privacy Rule) are obtained PRIOR to releasing a patient's/client's health information?							

**III. ATTEST:** Under penalty of perjury, I hereby attest that to the best of my knowledge the information herein is true and correct and that I have authority to sign on behalf of and bind Contractor listed above.

ATTESTED by Privacy Officer or designated person	Name: (print)		Signature		Date	
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**IV. \*EXCEPTIONS:** If you have answered "NO" to any question or believe a question is Not Applicable, please contact OCPA at 1-855-729-6040 or [compliance.privacy@sfdph.org](mailto:compliance.privacy@sfdph.org) for a consultation. All "No" or "N/A" answers must be reviewed and approved by OCPA below.

EXCEPTION(S) APPROVED by OCPA	Name (print)		Signature		Date	
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Contractor Name:		Contractor City Vendor ID	
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### DATA SECURITY ATTESTATION

**INSTRUCTIONS:** Contractors and Partners who receive or have access to health or medical information or electronic health record systems maintained by SFDPH must complete this form. Retain completed Attestations in your files for a period of 7 years. Be prepared to submit completed attestations, along with evidence related to the following items, if requested to do so by SFDPH.

**Exceptions:** If you believe that a requirement is Not Applicable to you, see instructions in Section III below on how to request clarification or obtain an exception.

**I. All Contractors.**

DOES YOUR ORGANIZATION...						Yes	No*
A	Conduct assessments/audits of your data security safeguards to demonstrate and document compliance with your security policies and the requirements of HIPAA/HITECH at least every two years? [Retain documentation for a period of 7 years]						
B	Use findings from the assessments/audits to identify and mitigate known risks into documented remediation plans?						
	Date of last Data Security Risk Assessment/Audit:						
	Name of firm or person(s) who performed the Assessment/Audit and/or authored the final report:						
C	Have a formal Data Security Awareness Program?						
D	Have formal Data Security Policies and Procedures to detect, contain, and correct security violations that comply with the Health Insurance Portability and Accountability Act (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH)?						
E	Have a Data Security Officer or other individual designated as the person in charge of ensuring the security of confidential information?						
	If yes:	Name & Title:	Phone #	Email:			
F	Require Data Security Training upon hire and annually thereafter for all employees who have access to health information? [Retain documentation of trainings for a period of 7 years.] [SFDPH data security training materials are available for use; contact OCPA at 1-855-729-6040.]						
G	Have proof that employees have signed a form upon hire and annually, or regularly, thereafter, with their name and the date, acknowledging that they have received data security training? [Retain documentation of acknowledgement of trainings for a period of 7 years.]						
H	Have (or will have if/when applicable) Business Associate Agreements with subcontractors who create, receive, maintain, transmit, or access SFDPH's health information?						
I	Have (or will have if/when applicable) a diagram of how SFDPH data flows between your organization and subcontractors or vendors (including named users, access methods, on-premise data hosts, processing systems, etc.)?						

**II. ATTEST:** Under penalty of perjury, I hereby attest that to the best of my knowledge the information herein is true and correct and that I have authority to sign on behalf of and bind Contractor listed above.

ATTESTED by Data Security Officer or designated person	Name: (print)		Signature	Date
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**III. \*EXCEPTIONS:** If you have answered "NO" to any question or believe a question is Not Applicable, please contact OCPA at **1-855-729-6040** or [compliance.privacy@sfdph.org](mailto:compliance.privacy@sfdph.org) for a consultation. All "No" or "N/A" answers must be reviewed and approved by OCPA below.

EXCEPTION(S) APPROVED by OCPA	Name (print)		Signature	Date
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