

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

**First Amendment**

**THIS AMENDMENT (this "Amendment") is made as of November 1, 2017 in San Francisco, California, by and between Health Advocates, LLC. ("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 extend the performance period to December 31, 2021, increase the contract amount, and update standard contractual clauses;**

**WHEREAS, approval for this Amendment was obtained when the Civil Service Commission approved Contract number 4119-09-10 on December 16, 2013;**

**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 the 1<sup>st</sup> day of January 2014, between Contractor and City.**

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

**Subject to Section 1, the term of this Agreement shall be from January 1, 2014 to December 31, 2017.**

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

Subject to Section 1, the term of this Agreement shall be from January 1, 2014 to December 31, 2021.

**2b. Section 5.** Section 5. Compensation of the Agreement currently reads as follows: 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 Six Million Three Hundred Thousand Three Hundred Ninety Dollars (\$6,300,390). 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.

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

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 Eighteen Million Fourteen Thousand Five Hundred Forty Six Dollars (\$18,014,546). 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.

**2c. Insurance.** Section 15 is hereby replaced in its entirety to read as follows:

**15. Insurance.**

a. Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

- 1) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and
- 2) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and
- 3) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

4) Professional liability insurance, applicable to Contractor's profession, with limits not less than \$1,000,000 each claim with respect to negligent acts, errors or omissions in connection with the Services.

b. Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

1) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

2) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

c. All policies shall be endorsed to provide thirty (30) days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address set forth in the Section entitled "Notices to the Parties."

d. Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

e. Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

f. Before commencing any Services, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

g. The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

h. If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

2d. Replacing "Earned Income Credit (EIC) Forms" Section with "Consideration of Criminal History in Hiring and Employment Decisions" Section. Section 32 "Earned Income Credit (EIC) Forms" is hereby replaced in its entirety to read as follows:

**32. Consideration of Criminal History in Hiring and Employment Decisions.**

a. Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code (Chapter 12T), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as

though fully set forth herein. The text of the Chapter 12T is available on the web at [www.sfgov.org/olse/fco](http://www.sfgov.org/olse/fco). A partial listing of some of Contractor's obligations under Chapter 12T is set forth in this Section. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

b. The requirements of Chapter 12T shall only apply to a Contractor's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, shall apply only when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco, and shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

c. Contractor shall incorporate by reference in all subcontracts the provisions of Chapter 12T, and shall require all subcontractors to comply with such provisions. Contractor's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

d. Contractor or Subcontractor shall not inquire about, require disclosure of, or if such information is received, base an Adverse Action on an applicant's or potential applicant for employment's, or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.

e. Contractor or Subcontractor shall not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection 32, above. Contractor or Subcontractor shall not require such disclosure or make such inquiry until either after the first live interview with the person, or after a conditional offer of employment.

f. Contractor or Subcontractor shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment to be performed under this Agreement, that the Contractor or Subcontractor will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

**g.** Contractor and Subcontractors shall post the notice prepared by the Office of Labor Standards Enforcement (OLSE), available on OLSE's website, in a conspicuous place at every workplace, job site, or other location under the Contractor or Subcontractor's control at which work is being done or will be done in furtherance of the performance of this Agreement. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the workplace, job site, or other location at which it is posted.

**h.** Contractor understands and agrees that if it fails to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T, including but not limited to, a penalty of \$50 for a second violation and \$100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Agreement.

**2e. Cooperative Drafting.** Section 64 is hereby added to the Agreement, as follows:

**64. Cooperative Drafting.** This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

**2f. Sugar-Sweetened Beverage Prohibition.** Section 65 is hereby added to this Agreement, as follows:

**65. Sugar-Sweetened Beverage Prohibition.** Contractor agrees that it will not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.

**2g. Slavery Era Disclosure.** Section 60 is hereby revised to the Agreement, as follows:

**60. Slavery Era Disclosure**

**a.** Contractor acknowledges that this contract shall not be binding upon the City until the Director receives the affidavit required by the San Francisco Administrative Code's Chapter 12Y, "San Francisco Slavery Era Disclosure Ordinance." The affidavit is posted on the Office of Contract Administration's website at [www.sfgov.org/site/oca](http://www.sfgov.org/site/oca) under the "Slavery Era Disclosure" banner.

**b.** In the event the Director of Administrative Services finds that Contractor has failed to file an affidavit as required by Section 12Y.4(a) and this contract, or has willfully filed a false affidavit, the Contractor shall be liable for liquidated damages in an amount equal to the Contractor's net profit on the Contract, 10 percent of the total amount of the Contract, or \$1,000, whichever is greatest as determined by the Director of Administrative Services. Contractor acknowledges and agrees that the liquidated damages assessed shall be payable to the City upon

demand and may be set off against any monies due to the Contractor from any Contract with the City.

c. Contractor shall maintain records necessary for monitoring their compliance with this provision.

**2h. The Appendices listed below are amended as follows:**

- a. Appendix A-1. Delete Appendix A-1, dated 04/01/2014, and replace in its entirety with Appendix A-1 dated, 11/1/2017, which includes Statement of Work.
- b. Appendix B. Delete Appendix B, and replace in its entirety with Appendix B dated, 11/1/2017, Calculation of Charges.
- c. Appendix B-1. Delete Appendix B-1, dated 04/01/2014, and replace in its entirety with Appendix B-1 dated, 11/1/2017, Rate Schedule.
- d. Appendix E. Delete Appendix E, and replace in its entirety with Appendix E, version "OCA&CAT v6.21.2017," which includes attestations for Compliance, Data Security, and Privacy, the latter each dated June 7, 2017.

3. **Effective Date.** Each of the modifications set forth in Section 2 shall be effective on and after **January 1, 2018.**

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.


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


**CITY**

**CONTRACTOR**

Recommended by:

Health Advocates, LLC


  
\_\_\_\_\_  
Barbara A. Garcia, MPA  
Director of Health  
Department of Public Health

  
\_\_\_\_\_  
Steve Levine  
21540 Plummer Street, Suite B  
Chatsworth, CA 91311

City vendor number: 70234  
Supplier ID#: 0000018958

Approved as to Form:

Dennis J. Herrera  
City Attorney

By:   
\_\_\_\_\_  
Glenn M. Lee  
Deputy City Attorney

Approved:

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

**Appendix A-1**  
**STATEMENT OF WORK**

**CONTRACTOR:** Health Advocates, LLC (**CONTRACTOR**)  
21540 Plummer Street, Suite B  
Chatsworth, CA 91311

**CONTRACT TERM:** January 1, 2014 through December 31, 2021

**COMPENSATION:** COMPREHENSIVE FIXED FEE PER DISCHARGE.

**CONTRACTOR** will be paid in accordance with the contingency and/or fixed rates outlined in Appendix B-1.

**I. OVERVIEW**

Pursuant to the terms of this Agreement, the **CONTRACTOR** shall provide various services in relation to patients seen at Zuckerberg San Francisco General Hospital (ZSFG) and other San Francisco Department of Public Health facilities. The overall purpose of this Agreement is for the **CONTRACTOR** to help increase compensation received by DPH facilities for clinical services provided to the patients through improving patient access to various third party sources of payment and through improving the success of claims by DPH-related facilities for such reimbursement. The fee structure of the Agreement is such that, with limited exceptions, **CONTRACTOR** is compensated only for: successful efforts to enroll the patient in third party payor programs that result in payment that would not have otherwise been received; successful efforts to improve claims submitted by an DPH-associated clinical facility for reimbursement; or successful efforts otherwise to improve reimbursement to DPH facilities for care provided. There are additional options for payment to **CONTRACTOR** for hourly services rendered in limited circumstances that are not tied to successful financial outcomes.

**II. SCOPE OF WORK (ELIGIBILITY)**

The eligibility scope of work includes the following services and requirements:

- A. The DPH Director of Patient Finance or designee will review all inpatient admissions where **ZSFG Eligibility Workers** have been unsuccessful in identifying a source of payment. After determining that staff has exhausted all reasonable efforts the case may be referred to **CONTRACTOR**, regarding eligibility enrollment. Alternatively DPH may refer outpatient cases and patients directly to **CONTRACTOR** for various reasons for the purpose of securing source of payment. In relation to all such referrals **CONTRACTOR** will make reasonable efforts to assist in enrolling the patient in benefits, including but not limited, to making home calls, assisting the applicant to secure required documentation, providing interpreter services and transportation, etc., so that the applicant can complete the application, appeal, and/or fair hearing process. Referrals shall be at the discretion of managers authorized to make such referrals.
- B. **CONTRACTOR** will assist patient with enrollment in Medi-Cal and other possible sources of third-party reimbursements such as California Children Services (CCS), Victims of Crime (VoC), employment-related workers compensation coverage, Veterans Benefits, COBRA, Qualified



Health Plans and other coverage under the Affordable Care Act, undetected insurance, insurance reinstatement, or other potential benefit programs.

- C. When **CONTRACTOR** establishes third-party eligibility (Medi-Cal, Workers' Compensation, California Children's Services, Victim of Crime, etc.) **CONTRACTOR** will provide to **CITY** supporting evidence of Notice of Eligibility or Letter of Authorization (whichever applies).
- D. For referrals for which Medi-Cal was denied or those for which Medi-Cal applications were not initiated, **CONTRACTOR** will provide written explanation of why an application was not initiated or why a Fair Hearing was not pursued, and if a Fair Hearing was pursued, why it was unsuccessful. This information will be provided on the monthly Close report provided by **CONTRACTOR**.
- E. **CONTRACTOR** may be responsible for billing and follow-up of payment on approved Medi-Cal cases. Cases to be billed by **CONTRACTOR** shall be at the discretion of the Director of Patient Finance. **CONTRACTOR** will not be required to bill and secure Medi-Cal payments for referred mental health inpatients. Community Mental Health Services is responsible for billing and securing payments on retroactive Medi-Cal eligible mental health inpatients to the State. **CONTRACTOR** understands that the Contract Administrator or designee for the services will act as a liaison only on behalf of **CONTRACTOR** for referrals to **CITY's** Community Mental Health Services. For retroactive Medi-Cal approved past twelve (12) months **CONTRACTOR** will provide necessary Eligibility Letters of Authorization (LOA Form MC-190) to San Francisco Community Mental Health Services. Community Mental Health Services is responsible for billing to the State and securing payments on retroactive Medi-Cal eligible mental health inpatients to the State. Contract Administrator for this contract or designee will act as a liaison only on behalf of **CONTRACTOR** for referrals to **CITY's** Community Mental Health Services.
- F. **CONTRACTOR** will represent ZSFG interests in advocating for reimbursement for services provided to patients where an existing third party payor has a relationship with the patient. Such efforts to obtain increased reimbursement are conducted on behalf of ZSFG/DPH pursuant to the authorization signed by the patient in the Terms of Admission authorizing the care at issue.
- G. **CONTRACTOR** will represent ZSFG interests in advocating for reimbursement for services provided to patients where the patient's care may relate to alleged third-party liability (such as alleged tortfeasor). In such contexts, **CONTRACTOR** may file a lien to secure ZSFG/DPH to recover costs associated with the patient's care in relation to threatened or existing litigation involving the patient's interests. In this context, **CONTRACTOR** will coordinate with the San Francisco Treasurer & Tax Collector Bureau of Delinquent Revenue (BDR) to ensure that such liens are handled in accordance with City procedures and BDR processes, and **CONTRACTOR** shall follow all written guidelines provided by BDR.
- H. **CONTRACTOR** will perform a timely review of referred cases and potential Fair Hearing cases. Cases determined to be Medi-Cal ineligible due to no linkage with no other potential source of payment shall be returned to **CITY** as soon as the screening, application or Fair Hearing process is completed, together with a Close report indicating why the account was being closed. If no Medi-Cal application, Fair Hearing or lien is initiated within three (3) months following the month of referral for inpatient admissions, or forty-five (45) days for emergency department outpatient visits, **CONTRACTOR** may request authorization from ZSFG Director of Patient Finance, Eligibility Manager or designee to work case for additional time. **CITY** reserves the right to

engage other consultants to perform a second review of returned accounts after they appear on the **CONTRACTOR's** Close report.

- I. To the extent that ZSFG is able to obtain offsets based on fixed fee rates for Medi-Cal enrollment and appeal services provided under this Agreement, **CONTRACTOR** shall provide requested information to ZSFG about work under this Agreement in order for CITY to seek such offsets without additional cost to CITY.
- J. **CONTRACTOR** represents the interests of individual patients during the eligibility and enrollment, appeal, and/or fair hearing process and typically acts pursuant to an Authorized Representative Form executed by the patient. However, in some situations, **CONTRACTOR** may pursue insurance-related efforts pursuant to the Conditions of Admission previously executed by the patient on admission to ZSFG at the time services were rendered. **CONTRACTOR**, may receive personally identifying information, protected health information or other private information directly from the patient.
- K. To the extent that **CONTRACTOR** engages in post-appeal work on Medi-Cal appeals to help complete the appeal and fair hearing process, such work is included in the compensation **CONTRACTOR** will receive, if any, for such work. No additional compensation is due for this kind of post appeal work.
- L. The Director of Utilization Review may refer select Treatment Authorization (TAR) denials, together with copies of the medical records, to **CONTRACTOR** for administrative appeals where justified and substantiated by medical records, regulation, law or where such justification is anticipated to be present. **CONTRACTOR** shall make the final determination if there is merit for an administrative appeal or further action. **CONTRACTOR** shall be responsible for initiating and for follow through of Treatment Authorization approvals appeals with ZSFG's Utilization Review Department.

### **III. PERFORMANCE REQUIREMENTS – TARGETS (ELIGIBILITY)**

- A. **CONTRACTOR** will be expected to maximize revenues for CITY as outlined by this Agreement. Collection targets are **1,900 days per year**. One ED case is the equivalent of one day.
- B. It is understood that conditions beyond **CONTRACTOR's** control may impact this target, e.g., Welfare and Immigration reform, mandated Managed Care, declining inpatient census, timely referrals and/or changing State and Federal regulations, and that this target may be adjusted to reflect these occurrences. **CONTRACTOR** must meet performance targets, as mutually established. Expected performance will be set to no less than the preceding prior year's collection performance.

### **IV. PERFORMANCE REQUIREMENTS – STAFFING RESOURCES (ELIGIBILITY)**

**CONTRACTOR** shall provide services pursuant to the following requirements:

**CONTRACTOR** is relieved of any fixed or minimum staffing commitments included elsewhere in this Agreement pending mutual discussion of equitable adjustments to staffing based upon experience with the implementation of Healthcare Reform. **CONTRACTOR's** eligibility and enrollment staff assigned to perform work under this Agreement will be trained, bilingual, Eligibility workers, Spanish

speaking as priority and Chinese speaking preferred (but other languages are permitted as appropriate to the context).

- A. Eligibility worker minimum background requirements
  - i. Trained, bilingual, on-site eligibility workers including Spanish speaking as a priority and Chinese speaking on-site eligibility workers.
  - ii. The goal is to include eligibility worker with a minimum of one (1) to **two (2) years** public or teaching hospital or Department of Social Services experience.
  - iii. Additionally, personnel identified in (i) and (ii) above must have **three (3) or more years** of actual experience in qualifying patients for Medi-Cal in a public and/or teaching hospital setting.
  
- B. The eligibility workers will:
  - i. Screen 100% of all unsponsored patient admissions after City Eligibility Staff have interviewed and determined if Medi-Cal coverage or potential reimbursement sources exist.
  - ii. Secure authorization to represent the patient and complete Medi-Cal applications or applications for other programs such as Victims of Crime at the bedside or, if appropriate, at the patient's residence or wherever the patient may be located after discharge.
  - iii. Represent the patient in Fair Hearings or appeals proceedings, if initial applications are denied.
  - iv. Appeal Medi-Cal Field Office or other Pre-Treatment Authorization Program denials for care.
  - v. Investigate possible third party liability or Workers' Compensation reimbursement. File liens to protect the City and County's interest whenever appropriate or possible subject to limitations on liens and the authorization of BDR as outlined below.
  - vi. Referred accounts may be recalled or cancelled in writing after review and approval by ZSFG Eligibility Management.
  
- C. A supervisor with a minimum of **three (3) years** of eligibility worker experience and **three (3) or more years** of experience identifying and securing payment from programs such as Victims of Crime and/or Workers' Compensation and/or California Children's Services must be on-site at least **four (4) hours** per day to oversee the operations of the contract program, supervise on-site eligibility staff, coordinate with on-site lead worker, supervise field workers and be available to meet with **City** management and staff on a mutually agreed upon schedule.
  
- D. As needed **CONTRACTOR** will utilize "Field Workers" who will be dedicated to case management of homeless or transient patients for whom Medi-Cal applications are pending. The Field Worker will also assist patients with transportation to and from Appeals and Hearings, assist patients in obtaining necessary documents, and provide direct support of any means to help with the Medi-Cal application process.

**For cases assigned by the Director of Utilization Management, CONTRACTOR shall be responsible for assisting the ZSFG Utilization Review Department to pursue retroactive treatment authorization for service, and billing Medi-Cal for payment of retroactive treatment authorizations.**

- E. **CONTRACTOR** shall prepare weekly, monthly, quarterly and annual status, accounts receivable and other reports, as required by **CITY**.
- F. **CONTRACTOR** will provide on-site dial-up access of **CONTRACTOR's** systems, for **CONTRACTOR's** staff, for the status of cases referred during its regular business hours.
- G. **CONTRACTOR** must have on staff (or through formal agreements with consultants) individuals with appropriate expertise of a minimum of three (3) years, who have appeared on behalf of clients/patients before an Administrative Law Judge for the purpose of appealing denied Medi-Cal/Disability claims. **CONTRACTOR** must show that it has attorneys at law, admitted to the California Bar on staff or available to file legal action, if necessary, to secure benefits and reimbursement for their clients; however no such legal work is permitted under this Agreement absent authorization in advance from the San Francisco City Attorney and a separate engagement agreement for such work.
- Only when authorized by the San Francisco City Attorney and pursuant to a separate engagement agreement for each individual engagement, **CONTRACTOR** shall utilize duly licensed attorneys employed or retained by **CONTRACTOR** who will prepare and file legal actions, as necessary, and when justified, to obtain reimbursement for medical treatment.
- H. **CONTRACTOR** shall provide a qualified Project Manager, who will oversee the operations of the contract program, supervise assigned and on-site staff, and be available to meet with **CITY** management and staff on a mutually agreed upon schedule.
- I. Performance under this contract shall be overseen by a **CONTRACTOR's** Partner or Manager employed by **CONTRACTOR** and by DPH's Director of Patient Finance.
- J. **CITY** retains the right to request replacement of any of **CONTRACTOR's** staff assigned to perform work under this Agreement, and such replacement shall be effectuated by **CONTRACTOR** as soon as reasonable possible. In the event one of the **CONTRACTOR's** staff violates any state or federal privacy law or is otherwise excluded from handling state or federal patient issues, **CONTRACTOR** will immediately take steps to ensure that such staff does no further work under this Agreement. **CONTRACTOR** shall also immediately notify **CITY** of any such violation of privacy law, disbarment, or other exclusion of one of its staff who has provided services under this agreement.
- K. **CONTRACTOR's** on-site staff is expected to maintain regular office hours, providing coverage, as necessary, for lunch and rest breaks, dress and behave in a professional manner, respect the rights of patients, the public and **CITY** employees, and ensure patient confidentiality is maintained at all times. **CONTRACTOR** is responsible for managing its on-site staff to ensure professional work ethics are adhered to at all times.
- L. **CONTRACTOR** shall provide its on-site staff with all required office equipment, including telephones, computers, printers, fax machines, copy machines, desks, chairs and courier

services. CITY provides only limited office space and access to records and patients relating only to the cases referred.

M. **CONTRACTOR's** on-site employees and other staff who work with patients must provide proof of negative TB (tuberculosis) tests or have staff obtain and pass TB tests from CITY Employee Health prior to their first day of work, as well as any other immunizations required by the Department of Public Health. If testing is performed by CITY, **CONTRACTOR** shall be billed and pay CITY for related tests, x-rays, etc. Also on-site staff may be required to have periodic TB testing or other ZSFG, Health and Safety required immunizations, as well as attend all ZSFG mandatory training including training designed to protect ZSFG staff from infection exposure and injury.

N. **CONTRACTOR** must provide the following services at no additional charge:

- i. In-service training to Hospital staff on government program changes
- ii. Telephone and personal consultation with attorneys and healthcare experts for answers to any questions, which have an impact on CITY 's accounts receivables
- iii. Information systems technology to enhance or insure monitoring of Host's system for referred Medi-Cal cases, including support of programming.
- iv. Assistance with implementing major program changes related to the State/Federal Medi-Cal Medicaid program, including State and County programs.

#### **V. PERFORMANCE REQUIREMENTS –MONITORING (ELIGIBILITY)**

A. **CONTRACTOR's** designated management will meet with CITY management bi-monthly to provide oral and written assessments of **CONTRACTOR's** performance, including account audits and statistical analysis. These meetings also will provide the opportunity to address any concerns and/or project recommendations.

B. **CONTRACTOR** will provide CITY with a means of measuring its efforts through **CONTRACTOR's** management reports. In particular, **CONTRACTOR's** Status Report and case notes shall serve as an audit trail of all activity applied to each account and the Remittance Report shall serve as an audit for all payments received.

C. **CONTRACTOR** will provide CITY with a monthly Status Report reflecting those accounts which are still active and a monthly Close report reflecting accounts closed during the reporting month, which will include in alpha sequence, patient name, account number, referral date, account amount, latest activity and/or the reason for closing the account. **CONTRACTOR** also will provide weekly Acknowledgement Reports, verifying each referral, monthly Remittance Reports summarizing all payments and statistical analysis reports.

D. **CONTRACTOR** will provide three (3) hard copies and/or e-mail files of the following weekly or monthly reports, within fifteen (15) days from the close of the calendar month, that include the following data:

- i. Client Status Report - detailed listing and status/aging of outstanding accounts
- ii. Close Report - cases cancelled/closed and reason for closing
- iii. Acknowledgement Report – a weekly detailed listing of accounts referred to **CONTRACTOR** by CITY in the prior calendar month

- iv. Invoices and Remittance Reports (See Appendix A, Section I.2.E.)
- v. Other reports as required by CITY

E. In order to meet the revenue targets as indicated in Appendix A Section III.A regular reviews will be conducted. Review will include:

- i. Monthly revenue analysis
- ii. Monthly analysis of referral trends
- iii. Monthly review of DSS performance on pending cases
- iv. Quarterly review of overall performance
- v. Quarterly review of CITY 's DSS staff productivity
- vi. Meetings, as necessary, with local and State program representatives
- vii. Ongoing review and reporting to CITY and CITY Administration on CONTRACTOR's performance

## **VI. PERFORMANCE REQUIREMENTS (ADDITIONAL SERVICES)**

All services provided under this Agreement are subject to the following additional requirements as applicable to the services being provided.

### **A. RAC Review and Appeal Process**

In relation to RAC reviews and appeals referred to CONTRACTOR by ZSFG, CONTRACTOR shall provide services as follows:

- i. **CONTRACTOR** will manage the RAC review and appeal process for assigned accounts from request for intervention through resolution based upon the City's policy.
- ii. **CONTRACTOR** Nurse(s), Physician(s), and/or Coding professional(s) will perform audits on behalf of the City for assigned claims that the RAC has requested recoupment via the demand letter.
- iii. **CONTRACTOR** will prepare and submit any necessary correspondence including letters of appeal, grievance, and/or resubmission to request reconsideration of a claim. All applicable timely filing/appeal deadlines will be met.
- iv. **CONTRACTOR** will note account activity in the City's patient accounting software system.
- v. **Where appropriate and as needed to obtain correct payment**, **CONTRACTOR** will prepare accounts for Administrative Law Judge hearing. Any formal legal consultation or action shall be done in accordance with the requirements described above.
- vi. **CONTRACTOR** will provide a *Root Cause Analysis Report* broken down by RAC denial type, area of the hospital, and reason for denial on a mutually agreed upon reporting schedule.
- vii. **City** will provide **CONTRACTOR** remote access to information needed to determine correct expected payments and account status. These items include, but are not limited to, contracts, information systems, medical records and documents, payor correspondence, UB04s, Itemized statements, and remittance advices.
- viii. In relation to any RAC referrals to **CONTRACTOR**, **City** agrees to provide all applicable correspondence and/or communication to **CONTRACTOR** in timely manner (usually within 48 hours of receipt by **City**). This ensures that **CONTRACTOR** has the requisite time to respond to the appropriate entity.

- ix. **CONTRACTOR** will utilize *RAC Appeal Status* reporting. This robust and interactive report allows for real time visibility of accounts throughout the appeals process. This will be provided on a mutually agreed upon reporting schedule.

**B. Denials Management Services**

**In relation to denials management services referred to CONTRACTOR by ZSFG – which are services for any claims denied** post-billing for Medicare, Medicaid Managed Care, Managed Care or Commercial acute or behavioral health accounts- **CONTRACTOR** shall provide services as follows:

- i. **CONTRACTOR** will manage the retrospective clinical denials management process for assigned accounts from request for intervention through resolution based upon **City's** policy.
- ii. **CONTRACTOR** will prepare and submit any necessary letters to request reconsideration of a claim by a payor.
- iii. **Where appropriate and as needed to obtain correct payment, CONTRACTOR** will prepare accounts for grievance based on the **City's** policy. However, any such work that requires formal legal consultation or action shall be done in accordance with the requirements described above.
- iv. **CONTRACTOR** Nurse(s), Physician(s), and/or Coding professional(s) will perform audits on behalf of the **City** for assigned claims that have paid less than expected for reasons believed to be clinically related, documenting support for billed charges, medical necessity, and/or appropriate levels of care in an effort to facilitate correct payment.
- v. **City** will provide **CONTRACTOR** access to information needed to determine correct expected payments and account status such as, but not limited to, contracts, information systems, medical records, UB04s, itemized statements, and remittance advices.
- vi. **CONTRACTOR** will use the **City's** systems to note account activity.
- vii. **CONTRACTOR** will utilize proprietary "Account Tracking" reporting. This robust and interactive report allows for real time visibility of accounts approaching timely filing deadlines.
- viii. **CONTRACTOR** will provide a *Root Cause Analysis Report* broken down by type of denial, area of the hospital, and reason for denial on a mutually agreed upon reporting schedule.

**VII. ADDITIONAL OBLIGATIONS OF CITY AND/OR CONTRACTOR**

In relation to all services provided under this Agreement, **City** and/or **CONTRACTOR** shall provide or perform the following:

- A. Quarterly reconciliation of all cases referred by ZSFG Eligibility Manager, Director of Patient Finance or Director of Utilization Management or their designees utilizing Acknowledgements, Referral, Status and Close reports.
- B. **CITY** will identify accounts referred to **CONTRACTOR** by adding an identifier to the account in the **CITY** Financial Management System (INVISION or other systems). For reconciliation purposes, a report of open/active referred accounts will be provided to **CONTRACTOR** on a monthly basis. **CITY** agrees to remove the aforementioned identifier within fifteen (15) business days of being notified by **CONTRACTOR** that the account has been closed by **CONTRACTOR**. Failure by **CITY** to remove this identifier will suspend the quarterly reconciliation of referred accounts.

C. Once a case referred to **CONTRACTOR** is certified for Medi-Cal or other program eligibility, **CONTRACTOR** will assist **CITY** to obtain all necessary Treatment Authorizations as requested by **ZSFG**.

D. **CONTRACTOR** will receive copies of all Medi-Cal remittance advices (R/A), program payment tapes or **CITY** payment transaction reports to determine when their accounts have been paid. **CONTRACTOR** shall be entitled to its fee for all payments received more than seven (7) business days after the initial referral of an account.

E. **CONTRACTOR** will submit an invoice for services bi-monthly within fifteen (15) days from the close of each bi-monthly period. The invoice must include the following:

- i. **CONTRACTOR's** name and mailing address
- ii. Current Contract Number
- iii. Date of Invoice
- iv. Invoice Number
- v. Period of Billing
- vi. Amount of **ACTUAL** Net Payments Received (prior to deductions of fees)
- vii. Fee due in accordance with the terms and conditions of this Agreement
- viii. A detail of accounts for which **CONTRACTOR** has perfected eligibility or obtained approval for payment. The detail must be separated by Payor Type and must include the following:
  - a) Patient Name
  - b) Patient Account Number
  - c) **CONTRACTOR's** account number
  - d) Dates of Service
  - e) Remittance or payment date
  - f) Payment amount
  - g) Balance due after payment, if any
  - i) MediCal Approval Date
  - h) Fees due to **CONTRACTOR**

F. **CITY** agrees that upon termination or cancellation of this Agreement, **CONTRACTOR** has the right of completion to final disposition on each case previously referred by **CITY**, including but not limited to, collection of liens, completion of eligibility, TAR and billing, appeals, and litigation, etc., and shall be entitled to its fees on all monies paid to **CITY**. However, on termination for cause for breach by **CONTRACTOR**, **CONTRACTOR** shall have no right to complete to final disposition such cases absent express written consent by **City** on a case by case assessment.

G. **CITY** reserves the right to audit each invoice for accuracy and verification of the cases that were referred to **CONTRACTOR**. Any disputed amounts will be adjusted from the invoice



and negotiated between the parties, and the undisputed portion shall be paid immediately. Any adjusted amounts will be included on a separate invoice when **CONTRACTOR** is successful in substantiating the disputed amounts. No dispute shall be raised if an account has been referred to **CONTRACTOR**, has not been recalled in writing within five (5) business days of the referral and payment was received more than seven (7) business days after the initial referral of an account.

H. **CONTRACTOR** will not be paid in advance of collections of funds except as expressly authorized for successful Medi-Cal enrollments as evidenced per the requirements of this Agreement. Should **CONTRACTOR** receive any payments directly, **CONTRACTOR** agrees to immediately submit full payment of all received amounts to **CITY** and **CONTRACTOR** can thereafter invoice City for any amounts owed under this Agreement.

I. **CONTRACTOR** will invoice their contingency fees based only on NET payments received by **CITY** (subject to any applicable caps listed in this Agreement) and will not be reimbursed for any expenses incurred in connection with their performance under this contract.

J. **CONTRACTOR** will pursue Fair Hearings and Appeals for eligibility, treatment authorization, and/or insurance denials on any and all appropriate cases within the statute of limitations as provided by regulation or law. No unique Departmental approval is required for these actions.

K. **CONTRACTOR** will coordinate with other **CITY** departments or agencies on referred patient cases to avoid overlap of patient cases already assigned to other agencies or **CITY** departments.

O. **OBJECTIVE:** The objective of this contract is to maximize revenues from all sources covered under this Agreement. Other objectives include:

- i. Provide assistance to **CITY** in gathering meaningful data reflecting patient financial mix; estimating future revenues from expanded eligibility programs; developing statistical data needed for government program reporting requirements and analyzing program impacts on staffing.
- ii. Increase staff productivity and knowledge through training and support.

## **VIII. LEGAL LIMITATIONS**

### **A. Express limitation on legal work by CONTRACTOR; administrative proceedings permitted**

**CONTRACTOR's** work in the above contexts potentially involves different types of advocacy, including but not limited to working with third party payors/insurers, participating in administrative processes established by law, and becoming a party to formal proceedings in state or federal courts of law. **CONTRACTOR** has been advised and understands that representation of the City, ZSFG, and/or DPH in a context that requires legal expertise is controlled by the San Francisco City Charter and other City requirements. **In no event is CONTRACTOR permitted to file or pursue with any state, federal, or other court of law any formal litigation, writ, probate petition or related work, or appeal pursuant to this Agreement. Additionally, any other context in relation to which CONTRACTOR utilizes legal counsel to take action on behalf of patients, the City, ZSFG, or any City department, employee, or agent is**

**prohibited. Similarly, CONTRACTOR shall not participate in any mediation or arbitration on behalf of anyone pursuant to this Agreement where representation by an attorney or substantial work by an attorney is included. Any type of formal legal representation outlined in this paragraph may only be done with (1) the advance written authorization of the San Francisco City Attorney's Office and (2) execution of a separate engagement agreement prior to commencement of the work.**

To the extent that **CONTRACTOR** participates in administrative processes, including those involving an Administrative Law Judge, or other processes (such as filing hospital liens) that may have a legal aspect, **CONTRACTOR** is permitted to pursue those options under this Agreement without prior written authorization of the San Francisco City Attorney and separate engagement agreement so long as **CONTRACTOR** does not: use an attorney to prepare or file any paperwork/pleadings/briefs; and does not use an attorney to make arguments, contact parties, or otherwise act on behalf of the patient and/or the City or any City department, employee, or agent. Specific details regarding these limitations are further outlined below.

To the extent that **CONTRACTOR's** non-legal team needs to consult **CONTRACTOR's** attorneys for a simple question and the non-legal team does not otherwise utilize **CONTRACTOR's** attorneys to handle a matter, such communication is permitted under this Section. Similarly, to the extent that on occasion **CONTRACTOR** utilizes one of its attorneys solely for the purpose of contacting an insurance company, or their counsel, to facilitate coverage by the insurer and **CONTRACTOR's** attorney does not otherwise serve as legal representation for **CONTRACTOR** during the engagement, such communications prior to litigation and arbitration processes are permitted under this Section.

To the extent that **CONTRACTOR's** work on a specific case requires ongoing consultation with its own legal counsel and/or participation in formal legal proceedings outside United States jurisdictions, **CONTRACTOR** shall treat such work as being subject to the limitations outlined in this Section and obtain prior written authorization of the San Francisco City Attorney's Office and a separate engagement agreement.

**B. Preparation and filing of liens permitted as authorized by BDR or other City department**

To the extent that **CONTRACTOR** wishes to assert or file any lien (including but not limited to a hospital lien) to secure the right of ZSFG or any other City department to recover amounts due, **CONTRACTOR** has been advised and understands that such liens are subject to other City processes, such as actions by BDR. **CONTRACTOR** has also been advised that hospital liens are subject to and governed by Article 3 of the San Francisco Health Code, including Sections 124 through 124.5. **CONTRACTOR** agrees that any such liens shall only be filed and pursued with the express permission of BDR or any other City department that has authorization to control such processes. BDR and **CONTRACTOR** shall enter into a written understanding of the processes associated with the filing and recovery of hospital liens, and **CONTRACTOR's** work in relation to such liens shall at all times comply with those agreed-upon processes.

**C. Non-participation in proceedings against the City**

If at any point during its assessment process and/or representation of a particular patient **CONTRACTOR** determines that the patient may have a claim or other legal remedy against the City of San Francisco or any City department, employee, or agent (each a "City-related Claim"), **CONTRACTOR** shall immediately stop work on such representation and advise the patient it cannot proceed. In no circumstance may **CONTRACTOR** assist any patient or other individual

pursue any City-related Claim under this Agreement or in relation to any other work it performs for patients under its other work outside of this engagement. The limitations in this paragraph do not apply to efforts by **CONTRACTOR** to pursue Medi-Cal enrollment or appeals/fair hearings for Medi-Cal coverage under this Agreement, which are expressly permitted notwithstanding any role that any City Human Services Agency employee plays in relation to the Medi-Cal enrollment and appeal process.

**Appendix B**  
**Calculation of Charges**

**1. Method of Payment**

A. Contractor shall submit monthly invoices in the format agreed upon in the Original Agreement, by the fifteenth (15th) 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.

**2. Program Budgets and Final Invoice**

A. Program Budgets are listed below and are attached hereto.

Budget Summary

Appendix B-1 – Fees (Rates) Schedule

B. Contractor understands that, of the maximum dollar obligation listed in section 3.3.1 of this Agreement, \$1,255,088 is included as a contingency amount and is neither to be used in Program Budgets attached to this Appendix, or available to Contractor without a modification to this Agreement executed in the same manner as this Agreement or a revision to the Program Budgets of Appendix B, which has been approved by 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 Controller. Contractor agrees to fully comply with these laws, regulations, and policies/procedures.

January 1, 2014 – December 31, 2014	\$1,500,000
January 1, 2015 – December 31, 2015	\$1,500,000
January 1, 2016 – December 31, 2016	\$1,500,000
January 1, 2017 – December 31, 2017	\$1,500,000
January 1, 2018 – December 31, 2018	\$2,500,000
January 1, 2019 – December 31, 2019	\$2,575,000
January 1, 2020 – December 31, 2020	\$2,652,250
January 1, 2021 – December 31, 2021	\$2,731,818
<hr/>	
<b>Sub-total:</b>	<b>\$16,459,068</b>
Contingency 2014-2017	\$300,390
Contingency 2018-2021	\$1,255,088
<hr/>	
<b>TOTAL: January 1, 2014 – December 31, 2021</b>	<b>\$18,014,546</b>

C. Contractor agrees to comply with its Program Budgets of 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. A final closing invoice, clearly marked "FINAL," shall be submitted no later than forty-five (45) calendar days following the closing date of the Agreement, and shall include only those costs incurred during the referenced period of performance. If costs are not invoiced during this period, all unexpended funding set aside for this Agreement will revert to City.

3. No invoices for Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will be paid unless the provider received advance written approval from the City Attorney.

# APPENDIX B-1

## Rate Schedule

**General Note** - The impact of Healthcare Reform on hospital's reimbursement, changes to eligibility processing/qualifications, and potential changes to referrals to Health Advocates (HA) are not presently known. HA is inviting and encouraging discussion with the Department of Public Health (DPH) regarding appropriate refinements to services and fees provided under this agreement as new information becomes available.

### Section I - COMPREHENSIVE FIXED FEE PER DISCHARGE

YEAR Referrals Date	A1	A2	B1	B2	C1	C2	D1	D2
	Acute Screening & Applications	Outpatient ED & Acute Fair Hearing & Appeals	Psych Screening & Applications	Psych Fair Hearing & Appeals	Acute Pending Applications (non-HPE) Follow-up	Fair Hearing Follow-up on C1 Accounts	HPE Intake (optional)	Outpatient ED Screenings, Applications & Follow-up
1/1/18 - 12/31/18	\$1,844	\$2,472	\$2,472	\$2,812	\$1,350	\$1,688	\$95	\$1,350
1/1/19 - 12/31/19	\$1,971	\$2,546	\$2,546	\$2,896	\$1,391	\$1,739	\$98	\$1,391
1/1/20 - 12/31/20	\$2,036	\$2,623	\$2,623	\$2,988	\$1,433	\$1,791	\$101	\$1,433
1/1/21 - 12/31/21	\$2,091	\$2,701	\$2,701	\$3,073	\$1,476	\$1,845	\$104	\$1,476

#### A. Scope of Service for fixed fee rate

- A.1 - Acute Medical – Screen patients, Medi-Cal application filed and approve.
- A.2 - Acute Inpatient and Outpatient Medical - Screen patients, MediCal application filed, approved through fair hearing /appeals, and claims submission to MediCal fee-for-service (FFS) program.
- B.1 Acute Psych – Screen patients, Medi-Cal application filed and approved.
- B.2 Acute Psych - Screen patients, MediCal application filed, approved through fair hearing /appeals. HA will refer to Behavioral Health Services (BHS) to submit claims for payment to State Dept of Mental Health.
- C1. Acute Pending Application - Referred Acute inpatient cases with pending MediCal applications for follow-up by

HA to obtain MediCal approval.

- C2. Referred denied MediCal applications for appeals follow-up. HA will bill Acute Medical claims for payment to MediCal FFS program. Patients approved for managed Care MediCal, SFGH will bill claims for payment.
- D1. Hospital Presumptive Eligibility (HPE) Intake (optional) – screening and completion of Hospital Presumptive Eligibility application intake for submission to the State by DPH staff. This service does not include applications that are denied or rejected by the State. A minimum of (5) referrals per day per FTE is required.
- D2. Outpatient ED Screenings, Applications & Follow-up - Screening of referred outpatient cases, submission of MediCal applications, and follow up on cases with pending MediCal applications.

B. These fixed fee rates are based upon MediCal approvals (not referrals) and apply as defined in Sections D and E immediately below. This is a comprehensive fee that includes all screening, applications, follow-up on pending applications, submission of acute medical claims to MediCal or other payers, and Fair Hearings and Appeals as requested in Section C - "Services Solicited" of the RFP. HA is not responsible for billing Psych accounts and will refer these accounts to BHS to submit claims for payment to State Department of Mental Health.

C. Payment of fixed fee rates for inpatient MediCal FFS accounts billed by HA is contingent on increased reimbursement to DPH as a result of HA's eligibility efforts. If MediCal denies the claim in full or in part for reasons unrelated to HA's eligibility efforts, HA shall still be compensated for their efforts. For all other account types, e.g., inpatient accounts not billed by HA, MediCal Managed Care accounts where DPH has received capitation, outpatient ED, referrals for post-acute care coverage, and acute mental health referrals, payment of fixed fee rate is based on successful MediCal approval only.

D. HA shall be compensated at the highest applicable rate, based on the level of service required to obtain MediCal approval, which may be different from the level of effort anticipated at the time of referral.

E. In instances where Medi-Cal approval which is achieved through the Fair Hearing/Appeals process results in MediCal coverage for multiple accounts referred to HA, HA will be compensated at the applicable Fair Hearing rate (A2, B2 or C2) for each referral.

## **Section II – Contingency-based Fees**

### **Contingency Fees for Third Party Payer (includes Insurance, COBRA, TPL, Workers' Comp) accounts**

Third party referral for outpatient or outpatient ER pre-legal cases will be at 16% of all sums collected

Third party referral for inpatient pre-legal cases will be at 20% with a fee cap of \$100,000 per case (includes liens filed) and,

20% of all sums collected with a fee cap of \$500,000 on referred cases paid as an outcome of litigation including arbitration, Administrative Law Judge, or judicial proceedings. City/County will reimburse preapproved administrative costs incurred by HA to reinstate or establish COBRA or Insurance Exchange benefits.

### **Contingency fees for third party**

HA is relieved of any fixed or minimum staffing commitments included elsewhere in this Agreement pending mutual discussion of equitable adjustments to staffing based upon experience with the implementation of Healthcare Reform.

## **Section III Rates for Additional Services**

### **A. RAC Review and Appeals**

- 1st and 2nd level (Initial Review, Reconsideration Letter, and Appeal): **\$400/account**
- 3rd Level Appeal, Administrative Law Judge (ALJ): **+ \$350 /account**
- 4th Level Appeal, Departmental Appeal Board (DAB): **+ \$ 195/account**
- 5th Level Appeal, Preparation for District Court: **+ \$ 195/account**

### **B. Non-RAC Denials Management Services**

- Twenty five percent (25%) of all sums recovered

### **C. Clinical Authorization Denials: Pre-Billing**

- \$75 per approved day for accounts reimbursed on a per diem basis
- \$400 per account for accounts reimbursed on a DRG basis

### **D. Utilization Management/Process Improvement Consulting and Education or Special Projects**

- RN UM Consultant/Educator **\$115/hour**
- Consulting/Educating Project Director **\$175/hour**

### **Travel**

- All travel will be preapproved and will be paid by City for professional consulting service only.

### **Special Considerations**

- Some items listed in Appendix A-1 and B-1 may require the use of subcontractor(s), at bidders discretion.





## San Francisco Department of Public Health

## Business Associate Agreement

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.

**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.

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.



San Francisco Department of Public Health  
Business Associate Agreement

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 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.



## San Francisco Department of Public Health

## Business Associate Agreement

**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 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



San Francisco Department of Public Health  
Business Associate Agreement

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, 164.314 164.316, 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



San Francisco Department of Public Health  
Business Associate Agreement

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, 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



San Francisco Department of Public Health  
Business Associate Agreement

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 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.



## San Francisco Department of Public Health

## Business Associate Agreement

**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 of 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.

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.

APPENDIX E



San Francisco Department of Public Health

Business Associate Agreement

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

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: <b>Health Advocates, LLC</b>	Contractor City Vendor ID: <b>1000002744</b>
---	--

**PRIVACY ATTESTATION**

**INSTRUCTIONS:** Contractors and Partners who receive or have access to health or medical information or electronic health record systems maintained by SFPDH 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 SFPDH.

**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*
<b>A</b> Have formal Privacy Policies that comply with the Health Insurance Portability and Accountability Act (HIPAA)?		
<b>B</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: _____		
<b>C</b> 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.] [SFPDH privacy training materials are available for use; contact OCPA at 1-855-729-6040.]		
<b>D</b> 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.]		
<b>E</b> Have (or will have if/when applicable) Business Associate Agreements with subcontractors who create, receive, maintain, transmit, or access SFPDH's health information?		
<b>F</b> Assure that staff who create, or transfer health information (via laptop, USB/thumb-drive, handheld), have prior supervisory authorization to do so AND that health information is only transferred or created on encrypted devices approved by SFPDH Information Security staff?		

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

**If Applicable: DOES YOUR ORGANIZATION...**

	Yes	No*
<b>G</b> Have (or will have if/when applicable) evidence that SFPDH Service Desk (628-206-SERV) was notified to de-provision employees who have access to SFPDH health information record systems within 2 business days for regular terminations and within 24 hours for terminations due to cause?		
<b>H</b> Have evidence in each patient's / client's chart or electronic file that a Privacy Notice 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 SFPDH.)		
<b>I</b> Visibly post the Summary of the Notice of Privacy Practices in all six languages in common patient areas of your treatment facility?		
<b>J</b> Document each disclosure of a patient's/client's health information for purposes other than treatment, payment, or operations?		
<b>K</b> 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.

Name: _____ (print) or designated person	Signature	Date
--	-----------	------

**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	Signature	Date
----------------------------------	-----------	------

Contractor Name:	Health Advocates, LLC.
Contractor City Vendor ID	1000002744

**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.		Yes	No*
<b>DOES YOUR ORGANIZATION...</b>			
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
--	---------------	-----------	------

**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
-------------------------------	--------------	-----------	------

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
8/30/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> USI Insurance Services LLC-CL Lic # 0G11911 21700 Oxnard Street, Suite 1200 Woodland Hills, CA 91367		<b>CONTACT NAME:</b> Leslie Martin <b>PHONE (A.C. No. Exp):</b> 818 251-3063 <b>E-MAIL Address:</b> Leslie.Martin@usi.com <b>FAX (A.C. No.):</b> 610-362-8890															
<b>INSURED</b> Health Advocates LLC & Leibovic Law Group 21540 Plummer Street, Unit B Chatsworth, CA 91311		<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Continental Insurance Company</td> <td>35289</td> </tr> <tr> <td>INSURER B: Continental Casualty Company</td> <td>20443</td> </tr> <tr> <td>INSURER C: Redwood Fire and Casualty Insur</td> <td>11673</td> </tr> <tr> <td>INSURER D: Evanston Insurance Company</td> <td>35378</td> </tr> <tr> <td>INSURER E: National Union Fire Ins Pittsbu</td> <td>19445</td> </tr> <tr> <td>INSURER F: Federal Insurance Company</td> <td></td> </tr> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Continental Insurance Company	35289	INSURER B: Continental Casualty Company	20443	INSURER C: Redwood Fire and Casualty Insur	11673	INSURER D: Evanston Insurance Company	35378	INSURER E: National Union Fire Ins Pittsbu	19445	INSURER F: Federal Insurance Company	
INSURER(S) AFFORDING COVERAGE	NAIC #																
INSURER A: Continental Insurance Company	35289																
INSURER B: Continental Casualty Company	20443																
INSURER C: Redwood Fire and Casualty Insur	11673																
INSURER D: Evanston Insurance Company	35378																
INSURER E: National Union Fire Ins Pittsbu	19445																
INSURER F: Federal Insurance Company																	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

PER LTR	TYPE OF INSURANCE	ADDITIONAL INSURER	POLICY NUMBER	POLICY EFF. DATE (MM/DD/YYYY)	POLICY EXP. DATE (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:	X	4016880288	09/01/2017	09/01/2018	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (EA occurrence) \$300,000 MED EXP (Any one person) \$15,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMPROP AGG \$2,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS	X	4016880271	09/01/2017	09/01/2018	COMBINED SINGLE LIMIT (Per accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Comp/Coll \$Ded: \$2,000
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$0		6011563497	09/01/2017	09/01/2018	EACH OCCURRENCE \$15,000,000 AGGREGATE \$15,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	HEWC807871	09/01/2017	09/01/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
D	Professional Liab Claims Made Form		LA809073	09/01/2017	09/01/2018	\$3,000,000 Each Claim \$3,000,000 Aggregate \$250,000 Deductible

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 Certificate Holder is named as an additional insured as respects to the business operations of the named insured. Blanket Additional Insured applies as per written contract or written agreement, per attached Additional Insured - Your Work Endorsement form #CNA75076XX(01/15). Additional insured also applies to Auto Policies per Auto Liability Extended Coverage Endorsement - BA Plus form #SCA23500D (Ed.10/11).  
 (See Attached Descriptions)

<b>CERTIFICATE HOLDER</b> San Francisco General Hospital 1001 Potrero Ave San Francisco, CA 94110	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Natalie Burrell</i>
--	--

## DESCRIPTIONS (Continued from Page 1)

**E. Cyber Policy: #018573448/Carrier: National Union Fire Ins. Co./Policy Dates: 09-01-17 to 09-01-18**  
**Media Content: \$5,000,000/Retention: \$100,000/Retro Date: 6-3-10/Continuity Date: 9-1-13**  
**Security and Privacy Liability: \$5,000,000/Retention: \$100,000/Retro Date: 6-3-10/Continuity Date: 9-1-13**  
**Regulatory Action Sublimit of Liability: \$5,000,000/Retention: \$100,000/Retro Date: 6-3-10/Continuity Date: 9-1-13**  
**Network Interruption: \$5,000,000/Retention: \$100,000/Waiting Hours Period: 12 Hours**  
**Event Management: \$500,000/Retention: \$100,000/Continuity Date: 9-1-13**  
**Cyber Extortion: \$5,000,000/Retention: \$100,000/Continuity Date: 9-1-13**  
**Privacy Event Services Coverage 1,000,000 records with 100 minimum persons affected.**

**F. Crime Policy: #82389845/Carrier: Federal Ins. Co. - Chubb/Policy Dates: 9-1-17 to 9-1-18**  
**Client Coverage: \$1,000,000/Retention: \$10,000**

**Additional Insured status is valid only if there is a written contract between the Insured and the certificate holder, and such contract is in effect.**



**Additional Insured - Your Work Endorsement**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

It is understood and agreed that:

I. **WHO IS AN INSURED** is amended to include as an insured any person or organization whom a Named Insured is required to add as an additional insured on this Coverage Part under a written contract or written agreement, provided such contract or agreement:

- (1) is currently in effect or becomes effective during the term of this Coverage Part; and
- (2) was executed prior to:
  - (a) the bodily injury or property damage; or
  - (b) the offense that caused the personal and advertising injury, for which such additional insured seeks coverage.

II. The insurance provided to such additional insured is limited as follows:

- a. The insurer will not provide such additional insured:
  - (1) coverage any broader than the narrowest coverage:
    - (a) required by such contract or agreement; or
    - (b) afforded to the Named Insured under this Coverage Part; or
    - (c) described in paragraph b. below; or
  - (2) a higher limit of insurance than the lesser of the amount:
    - (a) required by such contract or agreement; or
    - (b) afforded to the Named Insured under this Coverage Part

Any coverage granted by this endorsement shall apply solely to the extent permissible by law.

b. Such additional insured is an insured solely for bodily injury, property damage or personal and advertising injury for which such additional insured is liable because of the Named Insured's acts or omissions. The coverage granted by this paragraph does not apply to any person or organization:

- (1) for bodily injury, property damage, or personal and advertising injury arising out of the rendering or failure to render any professional service;
- (2) who is specifically scheduled as an additional insured on another endorsement to this Coverage Part; nor
- (3) for bodily injury or property damage included within the products-completed operations hazard except to the extent all of the following apply:
  - a. this Coverage Part provides such coverage;
  - b. the written contract or agreement described in the opening paragraph of this endorsement requires the Named Insured to provide the additional insured such coverage; and
  - c. the bodily injury or property damage results from your work that is the subject of the written contract or agreement, and such work has not been excluded by endorsement to this Coverage Part.

**III. ADDITIONAL INSURED - PRIMARY AND NON-CONTRIBUTORY TO ADDITIONAL INSURED'S INSURANCE**

The Other Insurance Condition in the **COMMERCIAL GENERAL LIABILITY CONDITIONS** Section is amended to add the following paragraph:

CNA75076XX (1-15)

Page 1 of 2

The Continental Insurance Co.

Insured Name: HEALTH ADVOCATES, LLC.

Policy No: 4016880268

Endorsement No: B

Effective Date: 09/01/2016



**CNA PARAMOUNT**

**Additional Insured - Your Work Endorsement**

If the Named Insured has agreed in writing in a contract or agreement that this insurance is primary and non-contributory relative to an additional insured's own insurance, then this insurance is primary, and the Insurer will not seek contribution from that other insurance. Otherwise, and notwithstanding anything to the contrary elsewhere in this Condition, the insurance provided to such person or organization is excess of any other insurance available to such person or organization. For the purpose of this Provision, the additional insured's own insurance means insurance on which the additional insured is a named insured.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

GNA75078XX (1-15)

Page 2 of 2

The Continental Insurance Co.

Insured Name: HEALTH ADVOCATES, LLC.

Policy No: 4016880268

Endorsement No: 8

Effective Date: 09/01/2016

Copyright CNA All Rights Reserved. Includes copyrighted material of Insurance Services Office, Inc., with its permission.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**EXTENDED COVERAGE ENDORSEMENT - BA PLUS**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM**

**I. LIABILITY COVERAGE**

**A. Who Is An Insured**

The following is added to Section II, Paragraph A.1., Who Is An Insured:

1. a. Any incorporated entity of which the Named Insured owns a majority of the voting stock on the date of inception of this Coverage Form; provided that,
  - b. The insurance afforded by this provision A.1. does not apply to any such entity that is an "insured" under any other liability "policy" providing "auto" coverage.
2. Any organization you newly acquire or form, other than a limited liability company, partnership or joint venture, and over which you maintain majority ownership interest.

The insurance afforded by this provision A.2.:

- a. Is effective on the acquisition or formation date, and is afforded only until the end of the policy period of this Coverage Form, or the next anniversary of its inception date, whichever is earlier.
- b. Does not apply to:
  - (1) "Bodily injury" or "property damage" caused by an "accident" that occurred before you acquired or formed the organization; or
  - (2) Any such organization that is an "insured" under any other liability "policy" providing "auto" coverage.
3. Any person or organization that you are obligated to provide insurance where required by a written contract or agreement is an insured, but only with respect to legal responsibility for acts or omissions of a person for whom Liability Coverage is afforded under this policy.
4. An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

"Policy," as used in this provision A. Who Is An Insured, includes those policies that were in force on the inception date of this Coverage Form but:

1. Which are no longer in force; or
2. Whose limits have been exhausted.

**B. Bail Bonds and Loss of Earnings**

Section II, Paragraphs A.2.a.(2) and A.2.a.(4) are revised as follows:

1. In a.(2), the limit for the cost of bail bonds is increased from \$2,000 to \$5,000, and
2. In a.(4), the limit for the loss of earnings is increased from \$250 to \$500 a day.

**C. Fellow Employee**

Section II, Paragraph B.5 does not apply.

Such coverage as is afforded by this provision C. is excess over any other collectible insurance.

**II. PHYSICAL DAMAGE COVERAGE**

**A. Towing**

Section III, Paragraph A.2, is revised to include Light Trucks up to 10,000 pounds G.V.W.

**B. Glass Breakage - Hitting A Bird Or Animal - Falling Objects Or Missiles**

The following is added to Section III, Paragraph A.3.:

With respect to any covered "auto," any deductible shown in the Declarations will not apply to glass breakage if such glass is repaired, in a manner acceptable to us, rather than replaced.

**C. Transportation Expenses**

Section III, Paragraph A.4.a. is revised, with respect to transportation expense incurred by you, to provide:

- a. \$60 per day, in lieu of \$20; subject to
- b. \$1,000 maximum, in lieu of \$600.

**D. Loss of Use Expenses**

Section III, Paragraph A.4.b. is revised, with respect to loss of use expenses incurred by you, to provide:

- a. \$1,000 maximum, in lieu of \$600.

**E. Personal Property**

The following is added to Section III, Paragraph A.4.

- c. We will pay up to \$500 for loss to Personal Property which is:

40200017 140 10/10/02 11253



- (1) Owned by an "insured"; and
- (2) In or on the covered "auto."

This coverage applies only in the event of a total theft of your covered "auto."

This insurance is excess over any other collectible insurance and no deductible applies.

**F. Rental Reimbursement**

The following is added to Section III, Paragraph A.4.:

- d. We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto." Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto." No deductibles apply to this coverage.
  - 1. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:
    - (a) The number of days reasonably required to repair or replace the covered "auto"; or,
    - (b) 15 days.
  - 2. Our payment is limited to the lesser of the following amounts:
    - (a) Necessary and actual expenses incurred; or,
    - (b) \$25 per day subject to a maximum of \$375.
  - 3. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.
  - 4. If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the Physical Damage Coverage Extension.

**G. Hired "Autos"**

The following is added to Section III, Paragraph A.:

**5. Hired "Autos"**

If Physical Damage coverage is provided under this policy, and such coverage does not extend to Hired Autos, then Physical Damage coverage is extended to:

- a. Any covered "auto" you lease, hire, rent or borrow without a driver; and
- b. Any covered "auto" hired or rented by your "employee" without a driver, under a contract

in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

- c. The most we will pay for any one "accident" or "loss" is the actual cash value, cost of repair, cost of replacement or \$75,000 whichever is less minus a \$500 deductible for each covered auto. No deductible applies to "loss" caused by fire or lightning.
- d. The physical damage coverage as is provided by this provision will be limited to the types of physical damage coverage(s) provided on your owned "autos."
- e. Such physical damage coverage for hired "autos" will:
  - (1) include loss of use, provided it is the consequence of an "accident" for which the Named Insured is legally liable, and as a result of which a monetary loss is sustained by the leasing or rental concern.
  - (2) Such coverage as is provided by this provision G.s.(1) will be subject to a limit of \$750 per "accident."

**H. Airbag Coverage**

The following is added to Section III, Paragraph B.3.

The accidental discharge of an airbag shall not be considered mechanical breakdown.

**I. Electronic Equipment**

Section III, Paragraphs B.4.c and B.4.d. are deleted and replaced by the following:

- c. Physical Damage Coverage on a covered "auto" also applies to "loss" to any permanently installed electronic equipment including its antennas and other accessories
- d. A \$100 per occurrence deductible applies to the coverage provided by this provision.

**J. Diminution in Value**

The following is added to Section III, Paragraph B.6.

Subject to the following, the "diminution in value" exclusion does not apply to:

- a. Any covered "auto" of the private passenger type you lease, hire, rent or borrow, without a driver for a period of 30 days or less, while performing duties related to the conduct of your business; and
- b. Any covered "auto" of the private passenger type hired or rented by your "employee" without a driver for a period of 30 days or less,



under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

- c. Such coverage as is provided by this provision is limited to a "diminution in value" loss arising directly out of accidental damage and not as a result of the failure to make repairs; faulty or incomplete maintenance or repairs; or the installation of substandard parts.
- d. The most we will pay for "loss" to a covered "auto" in any one accident is the lesser of:
  - (1) \$5,000; or
  - (2) 20% of the "auto's" actual cash value (ACV)

**III. Drive Other Car Coverage – Executive Officers**

The following is added to Sections II and III:

- 1. Any "auto" you don't own, hire or borrow is a covered "auto" for Liability Coverage while being used by, and for Physical Damage Coverage while in the care, custody or control of, any of your "executive officers," except:

- a. An "auto" owned by that "executive officer" or a member of that person's household; or
- b. An "auto" used by that "executive officer" while working in a business of selling, servicing, repairing or parking "autos."

Such Liability and/or Physical Damage Coverage as is afforded by this provision will be:

- (1) Equal to the greatest of those coverages afforded any covered "auto"; and
- (2) Excess over any other collectible insurance.

- 2. For purposes of this provision, "executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document, and, while a resident of the same household, includes that person's spouse.

Such "executive officers" are "insureds" while using a covered "auto" described in this provision.

**IV. BUSINESS AUTO CONDITIONS**

**A. Duties in The Event Of Accident, Claim, Suit Or Loss**

The following is added to Section IV, Paragraph A.2.a.

- (4) Your "employees" may know of an "accident" or "loss." This will not mean that you have such knowledge, unless such "accident" or "loss" is known to you or if you are not an individual, to any of your executive officers or partners or your insurance manager.

The following is added to Section IV, Paragraph A.2.b.

- (6) Your "employees" may know of documents received concerning a claim or "suit." This will not mean that you have such knowledge, unless receipt of such documents is known to you or if you are not an individual, to any of your executive officers or partners or your insurance manager.

**B. Concealment, Misrepresentation or Fraud**

The following is added to Section IV, Paragraph B.2.

Your failure to disclose all hazards existing on the date of inception of this Coverage Form shall not prejudice you with respect to the coverage afforded provided such failure or omission is not intentional.

**C. Policy Period, Coverage Territory**

Section IV, Paragraphs 7.(5).(a). is revised to provide:

- a. 45 days of coverage in lieu of 30 days

**V. DEFINITIONS**

Section V, Paragraph C. is deleted and replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish, mental injury or death resulting from any of these

402620714076882718294

