

File No. 231152

Committee Item No. 5

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee  
Board of Supervisors Meeting

Date December 6, 2023  
Date \_\_\_\_\_

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Digest                           |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/> | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Subcontract Budget                           |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement                           |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

#### OTHER (Use back side if additional space is needed)

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|-------------------------------------|--------------------------|-------------------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Executed Agreement 12/1/2022</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>DPH Presentation 11/29/2023</u>  |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                               |
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Completed by: Brent Jalipa Date November 30, 2023  
Completed by: Brent Jalipa Date \_\_\_\_\_

1 [Contract Agreement - Chinese Hospital Association - Subacute Skilled Nursing and Skilled  
2 Nursing Facility Beds - Not to Exceed \$20,638,800]

3 **Resolution approving Amendment No. 1 to the Agreement between Chinese Hospital**  
4 **Association and the Department of Public Health, to provide subacute skilled nursing**  
5 **and skilled nursing facility beds for hospital overflow or emergency needs, to increase**  
6 **the agreement by \$10,746,960 for an amount not to exceed \$20,638,800 effective upon**  
7 **approval of this Resolution, to extend the term by one year, from November 30, 2023,**  
8 **for a total agreement term of December 1, 2022, through November 30, 2024, and to**  
9 **authorize DPH to enter into modifications of the Agreement that do not materially**  
10 **increase the City’s obligations or liabilities and are necessary to effectuate the**  
11 **purposes of the Agreement or this Resolution.**

12  
13 WHEREAS, The Department of Public Health (DPH), selected Chinese Hospital  
14 Association through a Request for Proposals (RFP) process, RFP 0000006964, issued on  
15 May 5, 2022, to provide subacute skilled nursing and skilled nursing facility beds for hospital  
16 overflow or emergency needs; and

17 WHEREAS, DPH entered into an original agreement on December 1, 2022, to provide  
18 these subacute skilled nursing and skilled nursing facility beds for hospital overflow or  
19 emergency needs for one year, with the term of December 1, 2022, through November 30,  
20 2023, in an amount not to exceed \$9,891,840; and

21 WHEREAS, DPH wishes to amend the agreement to continue providing subacute  
22 skilled nursing and skilled nursing facility beds for hospital overflow or emergency needs by  
23 extending the term by one year, from November 30, 2023, through November 30, 2024,  
24 increasing the contract by \$10,746,960 to reflect annual funding for each additional year, for a  
25

1 total contract amount not to exceed \$20,638,800 and for a total agreement term of December  
2 1, 2022, through November 30, 2024; and

3 WHEREAS, Section 9.118 of the Charter requires approval of the Board of Supervisors  
4 for contracts requiring anticipated expenditures exceeding \$10 million, now, therefore, be it

5 RESOLVED, That the Board of Supervisors hereby authorizes the Director of Public  
6 Health and the Director of the Office of Contract Administration/Purchaser, on behalf of the  
7 City and County of San Francisco, to execute a contract with Chinese Hospital Association to  
8 provide subacute skilled nursing and skilled nursing facility beds for hospital overflow or  
9 emergency needs for a total agreement term of December 1, 2022, through November 30,  
10 2024, for a total contract amount not to exceed \$20,638,800; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors authorizes the Department of  
12 Public Health to enter into any amendments or modifications to the contract, prior to its final  
13 execution by all parties, that the Department determines, in consultation with the City  
14 Attorney, are in the best interests of the City, do not otherwise materially increase the  
15 obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of  
16 the contract, and are in compliance with all applicable laws; and, be it

17 FURTHER RESOLVED, That within thirty (30) days of the contract being fully executed  
18 by all parties, the Director of Health and/or the Director of the Office of Contract  
19 Administration/Purchaser shall provide the final contracts to the Clerk of the Board for inclusion  
20 into the official File No. 231152.

21  
22 RECOMMENDED

23  /s/ \_\_\_\_\_

24 Dr. Grant Colfax

25 Director of Health

<p><b>Item 5</b>  <b>File 23-1152</b>  <i>(Continued from 11/29/23 meeting)</i></p>	<p><b>Department:</b>  Public Health (DPH)</p>
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**EXECUTIVE SUMMARY**

**Legislative Objectives**

- The proposed resolution would authorize a first amendment to the Department of Public Health’s agreement with Chinese Hospital Association exercising the first one-year term extension option for a new total term from December 1, 2022 to November 30, 2024, and increasing the not-to-exceed amount \$9,891,840 to \$20,638,800.

**Key Points**

- Following a competitive solicitation, In December 2022, DPH entered into a contract with Chinese Hospital for a one-year initial term from December 1, 2022 to November 30, 2023, and a not-to-exceed amount of \$9,891,840. The original agreement provided eight one-year term extension options.
- The proposed first amendment would not make any changes to the contracted services, which include (1) surge capacity for subacute and skilled nursing beds for patients exiting San Francisco General Hospital and (2) subacute skilled nursing beds. The contract allows the City to purchase up to 23 beds per day from Chinese Hospital at a cost of \$1,350 per bed day. The City only pays for occupied beds and only for San Francisco residents. The subacute skilled nursing unit is not yet certified by the state, so no services have been provided in this category.

**Fiscal Impact**

- Over the term of the current agreement, actual expenditures of \$10.3 million are projected to exceed the \$9.9 million contract not-to-exceed amount by approximately \$400,000. At its November 29, 2023 meeting, the Budget & Finance Committee approved DPH’s request to amend the proposed resolution to increase the not-to-exceed amount of this resolution from \$18,851,480 to \$20,638,800 to account for the over billing and also account for a potential delay in Center for Medicare and Medicaid Services (CMS) certification.
- The proposed first amendment would be funded entirely by the General Fund. However, once Chinese Hospital is CMS certified, this cost will be partially offset by Medicare and Medi-Cal billing.

**Recommendation**

- Approve the proposed resolution.

## MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

## BACKGROUND

### Chinese Hospital

Chinese Hospital is an acute care hospital located at 845 Jackson Street in Chinatown. The Chinese Hospital is a nonprofit organization governed by a voluntary board of trustees.

### Prior Contract with Chinese Hospital

In February 2022, the Board approved the first amendment to a Department of Public Health (DPH) contract with Chinese Hospital to provide skilled nursing bed capacity for patients exiting General Hospital during COVID surges. The agreement required the City pay for a minimum of 13 beds per month and was procured under the Mayor's emergency orders related to COVID response. Because of the minimum required purchase and high cost of the service, we recommended DPH undertake a competitive solicitation for skilled nursing bed overflow.

### Procurement Process

On May 13, 2022, DPH issued a request for proposals (RFP) (No. 6954) to identify providers within San Francisco with the capacity to provide (1) subacute skilled nursing care and (2) Surge/emergency skilled nursing care. A panel<sup>1</sup> reviewed the submissions from the two respondents to the RFP, and both were selected as providers. According to DPH, contract negotiations with the second provider are ongoing.

In December 2022, DPH entered into a contract with Chinese Hospital for a one-year initial term from December 1, 2022 through November 30, 2023, and a not-to-exceed amount of \$9,891,840. The original agreement also provided for eight one-year options to extend the agreement.

## DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve the first amendment to the agreement between the San Francisco Department of Public Health (DPH) and the Chinese Hospital Association (Chinese Hospital), exercising the first one-year term extension option for a new total term from December 1, 2022 to November 30, 2024, and increasing the not-to-exceed amount from

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<sup>1</sup> The four panelists included a Program Director, Director of Department of Care Coordination, Director of Patient Accounting, and a Program Analyst.

\$9,891,840 to \$18,851,840. Following the approval of the proposed first amendment, seven one-year term extension options would remain.

As discussed below, DPH is requesting that the resolution be amended to increase the not-to-exceed amount from \$18,851,840 to \$20,638,800, due to an error in the contract utilization calculations.

### **Services**

The proposed first amendment would not make any changes to the contracted services, which includes (1) surge capacity for subacute and skilled nursing beds for patients exiting San Francisco General Hospital and (2) subacute skilled nursing beds. The contract allows the City to purchase up to 23 beds per day from Chinese Hospital; the City only pays for occupied beds and only for San Francisco residents.

Skilled Nursing Care includes 24/7 patient supervision, physical, occupational and speech therapy, wound care, intravenous therapy, injections, monitoring of vital signs, and assistance with daily activities.

Subacute Skilled Nursing Care refers to ongoing, complex nursing care post-hospitalization, such as tracheotomy care, complex wound management, intravenous tube feeding, and/or ventilator care after an acute hospitalization.

Chinese Hospital has been accepting contracted patients into their acute beds, who are then treated at skilled nursing care.

### **Certification Issues**

According to DPH, the Chinese Hospital unit was certified as a Skilled Nursing Facility on June 1, 2023 and is in the process of obtaining certification from the Center for Medicare and Medicaid Services (CMS) in order to bill those programs.

Chinese Hospital's subacute skilled nursing unit is not yet certified by the California Department of Health Care Services, so no services have been provided in this category of care. According to DPH, Chinese Hospital will apply for subacute certification from the California Department of Public Health after the Hospital obtains Centers for Medicare and Medicaid Services (CMS) certification. However, that will take longer than a year, and so this service is not expected to be provided during the proposed extension term.

### Subacute and Skilled Nursing Facility Beds during a Surge or Emergency

According to DPH, since December 2021, Laguna Honda Hospital has not admitted non-acute patients following hospitalization, and Chinese Hospital has been receiving patients from San Francisco General Hospital to help address the gap. To ensure that acute care beds are available at a sufficient capacity at San Francisco General Hospital during surges and emergencies, non-acute patients may be discharged to skilled nursing care at Chinese Hospital.

### **Service Utilization**

DPH provided Skilled Nursing Facility daily bed utilization data on the first 48-weeks (December 1, 2022 - November 6, 2023) of the initial contract term. During this period, Chinese Hospital

had an average occupancy rate of 20 beds per week, out its total possible capacity of 23 (89 percent). The lowest weekly census occurred in March 2023, with 16 patients (69 percent).

**Exhibit 1. Skilled Nursing Facility Beds Provided, December 1, 2022 – November 6, 2023**

	<b>Contracted</b>	<b>Actual</b>	<b>Percent Provided</b>
Skilled Nursing Beds	1,104	988	89%

Source: DPH

Note: The first term of the original agreement is from Dec. 1 2022 - Nov. 30, 2023, but only the first 48 weeks of data were available as of the drafting of this report.

**Performance Monitoring**

According to DPH, there is no formal performance evaluation like what is conducted annually for lower levels of community-based care, such as outpatient services. In this level of care, there is a weekly Utilization Management and Utilization Review meeting between DPH and Chinese Hospital staff to ensure that each client is receiving the appropriate level of care according to their treatment plans and emergent needs. According to DPH, State regulations specify that skilled nursing facilities are required to provide a minimum of 3.2 hours of nursing care per resident per day, however Chinese Hospital was not certified by state authorities as a skilled nurse facility until June 2023. DPH staff note that the Care Coordination and Medical Team at San Francisco General Hospital meet weekly with Chinese Hospital staff to review referrals, utilization management, and discuss patient stays and discharge plans. Attachment 1 to Appendix A of the original agreement includes a requirement to track whether the number of beds provided by Chinese Hospital is equal to the agreed upon number (up to 23 beds).

**FISCAL IMPACT**

Exhibit 2 below summarizes actual and projected contract expenditures for surge skilled nursing beds.

**Exhibit 2: Actual and Projected Expenditures**

Current Agreement	\$9,891,840
11/1/23 – 11/30/23 Overspending	427,560
Proposed New Spending	\$8,832,000
Contingency	\$1,487,400
<b>Revised Not To Exceed Amount</b>	<b>\$20,638,800</b>

Source: DPH

Over the initial term of the agreement, actual expenditures of \$10.3 million are projected to exceed the \$9.9 million contract not-to-exceed (NTE) amount by approximately \$400,000. At its November 29, 2023 meeting, the Budget & Finance Committee approved DPH's request to amend the proposed resolution to increase the not-to-exceed amount of this resolution from

\$18,851,480 to \$20,638,800 to account for the over billing and also account for a potential delay in Center for Medicare and Medicaid Services (CMS) certification.

### **Bed Rate Change Contingent on CMS Certification**

Under the existing contract, Skilled Nursing and Subacute Skilled Nursing beds cost \$1,350 per day. This cost is based on acute care nursing beds, for which Chinese Hospital has a certification.

According to DPH, Chinese Hospital is planning to apply for Centers for Medicare and Medicaid Services (CMS) certification in December 2023. Until Chinese Hospital receives CMS certification from the California Department of Health Care Services, the skilled nursing facility bed rate is \$1,350 per day. Following CMS certification, Chinese Hospital will be able to bill Medicaid and Medi-Cal, and the City's bed rate will be reduced to \$500 per day to account for the insurance revenue. DPH anticipates it will take 8 months for certification after the CMS certification application is submitted. DPH expected the process would take eight months last year, in December 2022, when the original agreement commenced, but they were delayed by state approval of the skilled nursing facility certification. Projected spending for the proposed first amendment incorporates the maximum projected amount in case there is no rate change from \$1,350 per day.

### **Benchmark Costs**

In our 2022 report on the prior version of this agreement, we noted the Chinese Hospital bed rate in that contract, \$1,369 per bed per day, was based on acute care bed costs because the facility was certified by state authorities to provide acute care, not skilled nursing care, which is less expensive. At that time, we noted skilled nursing facility daily bed rates at Laguna Honda were \$871 and Medi-Cal daily bed rates for skilled nursing were \$758. While the proposed contract is an improvement in that it does not contain a minimum purchase provision, it appears that the City is still paying more than the typical cost of a skilled nursing bed in the proposed contract.

According to DPH staff, the cost of acute care beds at General Hospital is \$3,500 per day, so transferring patients to \$1,350 skilled nursing beds at Chinese Hospital provides savings to General Hospital, where clinically appropriate, and ensures that these beds are available to those needing this level of care.

### **Funding Source**

As was the case for the first term of the contract, the first amendment to the agreement would be funded entirely by the San Francisco General Fund. However, once Chinese Hospital is CMS certified, this cost will be partially offset by Medicare and Medi-Cal billing. Unlike the prior version of the contract, which was for COVID surge capacity, this contract's costs are not eligible for FEMA reimbursement.

## **RECOMMENDATION**

Approve the proposed resolution.



<p><b>Item 7</b> <b>File 23-1152</b></p>	<p><b>Department:</b> Public Health (DPH)</p>
<p><b>EXECUTIVE SUMMARY</b></p>	
<p style="text-align: center;"><b>Legislative Objectives</b></p> <ul style="list-style-type: none"> <li>• The proposed resolution would authorize a first amendment to the Department of Public Health’s agreement with Chinese Hospital Association exercising the first one-year term extension option for a new total term from December 1, 2022 to November 30, 2024, and increasing the not-to-exceed amount \$9,891,840 to \$18,851,840.</li> </ul> <p style="text-align: center;"><b>Key Points</b></p> <ul style="list-style-type: none"> <li>• Following a competitive solicitation, In December 2022, DPH entered into a contract with Chinese Hospital for a one-year initial term from December 1, 2022 to November 30, 2023, and a not-to-exceed amount of \$9,891,840. The original agreement provided eight one-year term extension options.</li> <li>• The proposed first amendment would not make any changes to the contracted services, which include (1) surge capacity for subacute and skilled nursing beds for patients exiting San Francisco General Hospital and (2) subacute skilled nursing beds. The contract allows the City to purchase up to 23 beds per day from Chinese Hospital at a cost of \$1,350 per bed day. The City only pays for occupied beds and only for San Francisco residents. The subacute skilled nursing unit is not yet certified by the state, so no services have been provided in this category.</li> </ul> <p style="text-align: center;"><b>Fiscal Impact</b></p> <ul style="list-style-type: none"> <li>• Over the term of the current agreement, actual expenditures of \$10.3 million are projected to exceed the \$9.9 million contract not-to-exceed amount by approximately \$400,000. DPH is requesting an amendment to the proposed resolution to increase the not-to-exceed amount from \$18,851,480 to \$20,638,800 to account for the over billing and also account for a potential delay in Center for Medicare and Medicaid Services (CMS) certification.</li> <li>• The proposed first amendment would be funded entirely by the General Fund. However, once Chinese Hospital is CMS certified, this cost will be partially offset by Medicare and Medi-Cal billing.</li> </ul> <p style="text-align: center;"><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>• Approve the Department of Public Health’s request to increase the proposed resolution’s not-to-exceed amount from \$18,851,840 to \$20,638,800.</li> <li>• Approve the proposed resolution, as amended.</li> </ul>	

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### Subacute and Skilled Nursing Facility Beds during a Surge or Emergency

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Source: DPH

Over the initial term of the agreement, actual expenditures of \$10.3 million are projected to exceed the \$9.9 million contract not-to-exceed (NTE) amount by approximately \$400,000. DPH is requesting an amendment to the proposed resolution to increase the not-to-exceed amount

from \$18,851,480 to \$20,638,800 to account for the over billing and also account for a potential delay in CMS certification, discussed below.<sup>2</sup>

### **Bed Rate Change Contingent on CMS Certification**

Under the existing contract, Skilled Nursing and Subacute Skilled Nursing beds cost \$1,350 per day. This cost is based on acute care nursing beds, for which Chinese Hospital has a certification.

According to DPH, Chinese Hospital is planning to apply for Centers for Medicare and Medicaid Services (CMS) certification in December 2023. Until Chinese Hospital receives CMS certification from the California Department of Health Care Services, the skilled nursing facility bed rate is \$1,350 per day. Following CMS certification, Chinese Hospital will be able to bill Medicaid and Medi-Cal, and the City's bed rate will be reduced to \$500 per day to account for the insurance revenue. DPH anticipates it will take 8 months for certification after the CMS certification application is submitted. DPH expected the process would take eight months last year, in December 2022, when the original agreement commenced, but they were delayed by state approval of the skilled nursing facility certification. Projected spending for the proposed first amendment incorporates the maximum projected amount in case there is no rate change from \$1,350 per day.

### **Benchmark Costs**

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### **Funding Source**

As was the case for the first term of the contract, the first amendment to the agreement would be funded entirely by the San Francisco General Fund. However, once Chinese Hospital is CMS certified, this cost will be partially offset by Medicare and Medi-Cal billing. Unlike the prior version of the contract, which was for COVID surge capacity, this contract's costs are not eligible for FEMA reimbursement.

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<sup>2</sup> The proposed resolution's original not-to-exceed amount assumed the contract has been underspent.

## RECOMMENDATIONS

1. Approve the Department of Public Health's request to increase the proposed resolution's not-to-exceed amount from \$18,851,840 to \$20,638,800.
2. Approve the proposed resolution, as amended.

# San Francisco Department of Public Health

## Chinese Hospital Association

Contract Amendment – December 1, 2022 through November 30, 2024

BUDGET AND FINANCE COMMITTEE

NOVEMBER 29, 2023



Kelly Hiramoto

Special Projects Manager | Department of Public Health



# Subacute Bed Update

- DPH has continued to support the development of new subacute beds in San Francisco
- DPH is working closely with Chinese Hospital as they pursue SNF and Subacute SNF licensure and certification.
  - June 2023 – Chinese Hospital received SNF license certification from the State of California
  - Fall 2023 – Chinese Hospital hired an experienced consultant to guide them through the federal CMS SNF certification process.





# Contract Background

- DPH selected Chinese Hospital Association through an RFP to provide subacute skilled nursing and skilled nursing facility beds for hospital overflow or emergency needs.
  - **Skilled Nursing Care** is nursing or therapy care for patients who are medically stable and have a need that must be performed by skilled, licensed professionals daily.
  - **Subacute skilled nursing care** is a level of care needed for patients who require ongoing specialized care, such as tracheotomy care, complex wound management, intravenous tube feeding, and/or ventilator care after an acute hospitalization.
- **Hospital Overflow:** there is ongoing need to discharge non-acute patients from ZSFG acute care units to a more appropriate level of care (SNF at Chinese Hospital).



# Proposed Contract Amendment

- Resolution approving Amendment No. 1 to the agreement between Chinese Hospital Association and DPH for subacute skilled nursing and skilled nursing facility beds.
  - Increases the agreement by \$10,746,960
  - Extend the term by one year (total term December 1, 2022 – November 30, 2024)
  - Total NTE - \$20,638,800
- Under this contract Chinese Hospital provides 23 skilled nursing facility beds for hospital overflow or emergency needs.



**Thank you**



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

**First Amendment**

THIS AMENDMENT (this “Amendment”) is made as of **December 1, 2023**, in San Francisco, California, by and between **Chinese Hospital Association** (“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 contract duration and increase contract amount; and

WHEREAS, the Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through competitive solicitation, Sourcing Event ID 0000006964 dated May 5,2022 and this modification is consistent therewith; and

WHEREAS, approval for the original Agreement was obtained on September 19,2022 from the Civil Service Commission under PSC number 43506-21/22 in the amount of \$15,000,000 for the period commencing October 1,2022 and ending June 30,2026; and

WHEREAS, approval for this Amendment was obtained from the Civil Service Commission under PSC number 43506-21/22 in the amount of \$24,500,000 for the period commencing October 1,2022 and ending June 30,2026; and

WHEREAS, the City’s Board of Supervisors approved this Agreement by \_\_\_\_\_ on \_\_\_\_\_.

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

**Article 1      Definitions**

The following definitions shall apply to this Amendment:

1.1      **Agreement.** The term “Agreement” shall mean the Agreement dated December 1,2022 between Contractor and City, as amended by the:

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

## Article 2 Modifications of Scope to the Agreement

The Agreement is hereby modified as follows:

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

2.1 Term. The term of this Agreement shall commence on December 1, 2022 and expire on November 30, 2023, unless earlier terminated as otherwise provided herein.

2.2 Options to Extend. The City has Eight options to renew the Agreement for a period of one year each. The City may extend this Agreement beyond the expiration date by exercising an option at the City's sole and absolute discretion and by modifying this Agreement as provided in Section 11.5, "Modification of this Agreement."

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

2.1 Term. The term of this Agreement shall commence on December 1, 2022 and expire on November 30, 2024, unless earlier terminated as otherwise provided herein

2.2 Options to Extend. The City has Seven options to renew the Agreement for a period of one year each. The City may extend this Agreement beyond the expiration date by exercising an option at the City's sole and absolute discretion and by modifying this Agreement as provided in Section 11.5, "Modification of this Agreement."

2.2 **Compensation** Section **3.3 Compensation** of the Agreement currently reads as follows:

3.3 Compensation. 3.3.1 Payment. Contractor shall provide an invoice to the City on a monthly basis for Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for Services identified in the invoice that the Director of Health, in his or her sole discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed **Nine Million Eight Hundred Ninety-One Thousand Eight Hundred Forty Dollars (\$9,891,840.00)**. The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein. A portion of payment may be withheld until conclusion of the Agreement if agreed to by both parties as retainage, described in Appendix B. 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:**

3.3 Compensation. 3.3.1 Payment. Contractor shall provide an invoice to the City on a monthly basis for Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for

Services identified in the invoice that the Director of Health, in his or her sole discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed **Eighteen Million Eight Hundred Fifty-One Thousand Eight Hundred Forty Dollars (\$18,851,840.00)**. The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein. A portion of payment may be withheld until conclusion of the Agreement if agreed to by both parties as retainage, described in Appendix B. In no event shall City be liable for interest or late charges for any late payments

2.3 **Appendix B.** Appendix B Calculation of Charges is hereby replaced in its entirety by Appendix B-dated December 1,2023, attached to this Amendment and fully incorporated within the Agreement.

2.4 **Appendix B-1.** Appendix B-1, Budget Summary is hereby replaced in its entirety by Appendix B-1, dated December 1,2023 attached to this Amendment and fully incorporated within the Agreement.

### **Article 3      Effective Date**

Each of the modifications set forth in Article 2 shall be effective on and after December 1,2023.

### **Article 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:

**Chinese Hospital Association**

\_\_\_\_\_  
Grant Colfax, MD  
Director of Health  
Department of Public Health

DocuSigned by:  
*Jian Zhang* 11/03/2023 | 5:33 PM PDT  
08B80D1EE6AC4DF...  
**Jian Zhang, DNP**  
Chief Executive Officer  
845 Jackson Street  
San Francisco, CA 94133

City Supplier Number: 0000022940

Approved as to Form:

David Chiu  
City Attorney

By: \_\_\_\_\_  
Louise S. Simpson  
Deputy City Attorney

Approved:

\_\_\_\_\_  
Sailaja Kurella  
Director of the Office of Contract Administration,  
and Purchaser

**Appendix B  
Calculation of Charges  
December 1,2023**

**1. Method of Payment**

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

**2. Program Budgets and Final Invoice**

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

Appendix B-1: Budget summary -Subacute Skilled Nursing and Skilled Nursing Facility Beds for Hospital Overflow or Emergency Needs FY2022-2024

B. Contractor understands that, of the maximum dollar obligation listed in section 3.3.1 of this Agreement, **\$960,000** 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.

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 Services rendered during the referenced period of performance. If Services are not invoiced during this period, all unexpended funding set aside for this Agreement will revert to City. City's final reimbursement to the Contractor at the close of the Agreement period shall be adjusted to conform to actual units certified multiplied by the unit rates identified in the Program Budgets attached hereto, and shall not exceed the total amount authorized and certified for this Agreement.

**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.



<b>Appendix B-1</b>			
<b>Budget Summary Subacute Skilled Nursing and Skilled Nursing Facility Beds for Hospital overflow or Emergency Needs FY 2022-2024.</b>			
<b>Date December 1,2023</b>			
	<b>Services</b>	<b>Contract Rate/Bed/Day</b>	<b>Contract Rate (Year 1 for 23 bed)</b>
8 Months	SNF Bed- Before state License	1,350.00	\$7,452,000.00
4 Months	SNF Bed - After State License	500.00	\$1,380,000.00
<b>Sub Total</b>			<b>\$8,832,000.00</b>
<b>RPB#1 Use of contingency funds for existing services</b>			\$1,059,840.00
<b>Amendment #1</b>			\$8,000,000.00
<b>Grand Total</b>			<b>\$17,891,840.00</b>
<b>Contingency 12% on Amendment #1</b>			\$960,000.00
<b>Not to Exceed Amount</b>			<b>\$18,851,840 00</b>

If there is a delay beyond Month 8 in receiving the CDPH & CMS Certification, the Contractor will continue to be paid at the higher Contract Rate/Bed/Day amount.

If CDPH & CMS Certification is received, the rate /bed/day will be reduced to \$500.

**City and County of San Francisco  
Office of Contract Administration  
Purchasing Division  
City Hall, Room 430  
1 Dr. Carlton B. Goodlett Place  
San Francisco, California 94102-4685**

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**Agreement between the City and County of San Francisco and  
Chinese Hospital Association**

This Agreement is made this 1 day of December, 2022, in the City and County of San Francisco, State of California, by and between Chinese Hospital Association, 845 Jackson Street, San Francisco, CA 94133, a non-profit entity, (“Contractor”) and City.

**Recitals**

WHEREAS, the Department of Public Health (“Department”) wishes to expand surge bed capacity for subacute skilled nursing and skilled nursing; and,

WHEREAS, Contractor was competitively selected pursuant to Sourcing Event ID 0000006964; and

WHEREAS, there is no Local Business Entity (“LBE”) subcontracting participation requirement for this Agreement; and

WHEREAS, Under RFP Section IV (Minimum Qualifications), Contractor represents and warrants that:

Contractor has a facility located within the City and County of San Francisco;

Contractor’s facility is eligible for certification by the State of California for subacute care;

Contractor has submitted an application for certification to operate a Skilled Nursing Facility (“SNF”) in the State of California; and

Contractor is otherwise qualified to perform the Services required by City as set forth under this Agreement; and

WHEREAS, approval for the Agreement was obtained on September 19,2022 from the Civil Service Commission under PSC number 43506-21/22 in the amount of \$15,000,000 for the period commencing October 1,2022 and ending June 30,2026; and

Now, THEREFORE, the parties agree as follows:

**Article 1      Definitions**

The following definitions apply to this Agreement:

1.1      "Agreement" means this contract document, including all attached appendices, and all applicable City Ordinances and Mandatory City Requirements which are specifically incorporated into this Agreement by reference as provided herein.

1.2      "City" or "the City" means the City and County of San Francisco, a municipal corporation, acting by and through both its Director of the Office of Contract Administration or the Director’s designated agent, hereinafter referred to as “Purchasing” and Department of Public Health.”

1.3      "CMD" means the Contract Monitoring Division of the City.

1.4 "Confidential Information" means confidential City information including, but not limited to, personally-identifiable information ("PII"), protected health information ("PHI"), or individual financial information (collectively, "Proprietary or Confidential Information") that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 et seq.); the California Confidentiality of Medical Information Act (Civil Code § 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of part 164); and San Francisco Administrative Code Chapter 12M (Chapter 12M).

1.5 "Contractor" or "Consultant" means Chinese Hospital Association, 845 Jackson Street, San Francisco, CA 94133.

1.6 "Deliverables" means Contractor's work product resulting from the Services that are provided by Contractor to City during the course of Contractor's performance of the Agreement, including without limitation, the work product described in the "Scope of Services" attached as Appendix A.

1.7 "Effective Date" means the date upon which the City's Controller certifies the availability of funds for this Agreement as provided in Section 3.1.

1.8 "Mandatory City Requirements" means those City laws set forth in the San Francisco Municipal Code, including the duly authorized rules, regulations, and guidelines implementing such laws, that impose specific duties and obligations upon Contractor.

1.9 "Party" and "Parties" mean the City and Contractor either collectively or individually.

1.10 "Services" means the work performed by Contractor under this Agreement as specifically described in the "Scope of Services" attached as Appendix A, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Contractor under this Agreement.

## **Article 2 Term of the Agreement**

2.1 **Term.** The term of this Agreement shall commence on December 1, 2022 and expire on November 30, 2023, unless earlier terminated as otherwise provided herein

2.2 **Options to Extend.** The City has Eight options to renew the Agreement for a period of one year each. The City may extend this Agreement beyond the expiration date by exercising an option at the City's sole and absolute discretion and by modifying this Agreement as provided in Section 11.5, "Modification of this Agreement."

## **Article 3 Financial Matters**

### **3.1 Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation.**

This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City's obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability

or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

**THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.**

### **3.2 Guaranteed Maximum Costs.**

The City's payment obligation to Contractor cannot at any time exceed the amount certified by City's Controller for the purpose and period stated in such certification. Absent an authorized Emergency per the City Charter or applicable Code, no City representative is authorized to offer or promise, nor is the City required to honor, any offered or promised payments to Contractor under this Agreement in excess of the certified maximum amount without the Controller having first certified the additional promised amount and the Parties having modified this Agreement as provided in Section 11.5, "Modification of this Agreement."

### **3.3 Compensation.**

**3.3.1 Payment.** Contractor shall provide an invoice to the City on a monthly basis for Services completed in the immediate preceding month, unless a different schedule is set out in Appendix B, "Calculation of Charges." Compensation shall be made for Services identified in the invoice that the Director of Health, in his or her sole discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed **Nine Million Eight Hundred Ninety-One Thousand Eight Hundred Forty Dollars (\$9,891,840.00)**. The breakdown of charges associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein. A portion of payment may be withheld until conclusion of the Agreement if agreed to by both parties as retainage, described in Appendix B. In no event shall City be liable for interest or late charges for any late payments.

**3.3.2 Payment Limited to Satisfactory Services.** Contractor is not entitled to any payments from City until Department of Public Health approves Services, including any furnished Deliverables, as satisfying all of the requirements of this Agreement. Payments to Contractor by City shall not excuse Contractor from its obligation to replace unsatisfactory Deliverables, including equipment, components, materials, or Services even if the unsatisfactory character of such Deliverables, equipment, components, materials, or Services may not have been apparent or detected at the time such payment was made. Deliverables, equipment, components, materials and Services that do not conform to the requirements of this Agreement may be rejected by City and in such case must be replaced by Contractor without delay at no cost to the City.

**3.3.3 Withhold Payments.** If Contractor fails to provide Services in accordance with Contractor's obligations under this Agreement, the City may withhold any and all payments due Contractor until such failure to perform is cured, and Contractor shall not stop work as a result of City's withholding of payments as provided herein.

**3.3.4 Invoice Format.** Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller and City, and must include a unique invoice number. Payment shall



be made by City as specified in Section 3.3.6, or in such alternate manner as the Parties have mutually agreed upon in writing.

**3.3.5 Reserved. (LBE Payment and Utilization Tracking System)**

**3.3.6 Getting paid by the City for goods and/or services.**

(a) All City vendors receiving new contracts, contract renewals, or contract extensions must sign up to receive electronic payments through, the City's Automated Clearing House (ACH) payments service/provider. Electronic payments are processed every business day and are safe and secure. To sign up for electronic payments, visit [www.sfgov.org/ach](http://www.sfgov.org/ach).

(b) The following information is required to sign up: (i) The enroller must be their company's authorized financial representative, (ii) the company's legal name, main telephone number and all physical and remittance addresses used by the company, (iii) the company's U.S. federal employer identification number (EIN) or Social Security number (if they are a sole proprietor), and (iv) the company's bank account information, including routing and account numbers.

**3.3.7 Federal and/or State Funded Contracts.**

(a) **Disallowance.** If Contractor requests or receives payment from City for Services, reimbursement for which is later disallowed by the State of California or United States Government, Contractor shall promptly refund the disallowed amount to City upon City's request. At its option, City may offset the amount disallowed from any payment due or to become due to Contractor under this Agreement or any other agreement between Contractor and City.

(b) **Reserved. (Grant Terms)**

**3.4 Audit and Inspection of Records.**

3.4.1 Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its Services. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not fewer than five years, unless required for a longer duration due to Federal, State, or local requirements of which the City will notify contractor in writing, after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any Federal agency having an interest in the subject matter of this Agreement shall have the same rights as conferred upon City by this Section. Contractor shall include the same audit and inspection rights and record retention requirements in all subcontracts.

3.4.2 Contractor shall annually have its books of accounts audited by a Certified Public Accountant and a copy of said audit report and the associated management letter(s) shall be transmitted to the Director of Public Health or his /her designee within one hundred eighty (180) calendar days following Contractor's fiscal year end date. If Contractor expends \$750,000 or more in Federal funding per year, from any and all Federal awards, said audit shall be conducted in accordance with 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Said requirements can be found at the following website address: [https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl).

If Contractor expends less than \$750,000 a year in Federal awards, Contractor is exempt from the single audit requirements for that year, but records must be available for review or audit by appropriate officials of the Federal Agency, pass-through entity and General Accounting Office. Contractor agrees to reimburse the City any cost adjustments necessitated by this audit report. Any audit report which addresses all or part of the period covered by this Agreement shall treat the service components identified in the detailed descriptions attached to Appendix A and referred to in the Program Budgets of Appendix B as discrete program entities of the Contractor.

3.4.3 The Director of Public Health or his / her designee may approve a waiver of the audit requirement in Section 3.4.1 above, if the contractual Services are of a consulting or personal services nature, these Services are paid for through fee for service terms which limit the City's risk with such contracts, and it is determined that the work associated with the audit would produce undue burdens or costs and would provide minimal benefits. A written request for a waiver must be submitted to the DIRECTOR ninety (90) calendar days before the end of the Agreement term or Contractor's fiscal year, whichever comes first.

3.4.4 Any financial adjustments necessitated by this audit report shall be made by Contractor to the City. If Contractor is under contract to the City, the adjustment may be made in the next subsequent billing by Contractor to the City, or may be made by another written schedule determined solely by the City. In the event Contractor is not under contract to the City, written arrangements shall be made for audit adjustments.

### 3.5 **Submitting False Claims.**

The full text of San Francisco Administrative Code Chapter 21, Section 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Pursuant to San Francisco Administrative Code §21.35, any contractor or subcontractor who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A contractor or subcontractor will be deemed to have submitted a false claim to the City if the contractor or subcontractor: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

### 3.6 **Payment of Prevailing Wages. (Reserved)**

### 3.7 **Contract Amendments; Budgeting Revisions.**

3.7.1 **Formal Contract Amendment:** Contractor shall not be entitled to an increase in the Compensation or an extension of the Term unless the Parties agree to a Formal Amendment in accordance with the San Francisco Administrative Code and Section 11.5 (Modifications of this Agreement).

3.7.2 **City Revisions to Program Budgets:** The City shall have authority, without the execution of a Formal Amendment, to purchase additional Services and/or make changes to the work in accordance with the terms of this Agreement (including such terms that require Contractor's agreement),

not involving an increase in the Compensation or the Term by use of a written City Program Budget Revision.

**3.7.3 City Program Scope Reduction.** Given the local emergency, the pandemic, and the City's resulting budgetary position, and in order to preserve the Agreement and enable Contractor to continue to perform work albeit potentially on a reduced basis, the City shall have authority during the Term of the Agreement, without the execution of a Formal Amendment, to reduce scope, temporarily suspend the Agreement work, and/or convert the Term to month-to-month (Program Scope Reduction), by use of a written Revision to Program Budgets, executed by the Director of Health, or his or her designee, and Contractor. Contractor understands and agrees that the City's right to effect a Program Scope Reduction is intended to serve a public purpose and to protect the public fisc and is not intended to cause harm to or penalize Contractor. Contractor provides City with a full and final release of all claims arising from a Program Scope Reduction. Contractor further agrees that it will not sue the City for damages arising directly or indirectly from a City Program Scope Reduction.

## **Article 4 Services and Resources**

### **4.1 Services Contractor Agrees to Perform.**

Contractor agrees to perform the Services provided for in Appendix A, "Scope of Services." Officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, Services beyond the Scope of Services listed in Appendix A, unless Appendix A is modified as provided in Section 11.5, "Modification of this Agreement."

### **4.2 Qualified Personnel.**

Contractor shall utilize only competent personnel under the supervision of, and in the employment of, Contractor (or Contractor's authorized subcontractors) to perform the Services. Contractor will comply with City's reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall commit adequate resources to allow timely completion within the project schedule specified in this Agreement.

#### **4.2.1 Contractor Vaccination Policy.**

(a) Contractor acknowledges that it has read the requirements of the 38th Supplement to Mayoral Proclamation Declaring the Existence of a Local Emergency ("Emergency Declaration"), dated February 25, 2020, and the Contractor Vaccination Policy for City Contractors issued by the City Administrator ("Contractor Vaccination Policy"), as those documents may be amended from time to time. A copy of the Contractor Vaccination Policy can be found at: <https://sf.gov/confirm-vaccine-status-your-employees-and-subcontractors>.

(b) A Contract subject to the Emergency Declaration is an agreement between the City and any other entity or individual and any subcontract under such agreement, where Covered Employees of the Contractor or Subcontractor work in-person with City employees in connection with the work or services performed under the agreement at a City owned, leased, or controlled facility. Such agreements include, but are not limited to, professional services contracts, general services contracts, public works contracts, and grants. Contract includes such agreements currently in place or entered into during the term of the Emergency Declaration. Contract does not include an agreement with a state or federal governmental entity or agreements that do not involve the City paying or receiving funds.

(c) In accordance with the Contractor Vaccination Policy, Contractor agrees that:

(i) Where applicable, Contractor shall ensure it complies with the requirements of the Contractor Vaccination Policy pertaining to Covered Employees, as they are defined under the Emergency Declaration and the Contractor Vaccination Policy, and insure such Covered Employees are either fully vaccinated for COVID-19 or obtain from Contractor an exemption based on medical or religious grounds; and

(ii) If Contractor grants Covered Employees an exemption based on medical or religious grounds, Contractor will promptly notify City by completing and submitting the Covered Employees Granted Exemptions Form (“Exemptions Form”), which can be found at <https://sf.gov/confirm-vaccine-status-your-employees-and-subcontractors> (navigate to “Exemptions” to download the form).

(d) The City reserves the right to impose a more stringent COVID-19 vaccination policy for the San Francisco Department of Public Health, acting in its sole discretion.

#### **4.3 Subcontracting.**

4.3.1 Contractor may subcontract portions of the Services only upon prior written approval of City. Contractor is responsible for its subcontractors throughout the course of the work required to perform the Services. All Subcontracts must incorporate the terms of Article 10 “Additional Requirements Incorporated by Reference” of this Agreement, unless inapplicable. Neither Party shall, on the basis of this Agreement, contract on behalf of, or in the name of, the other Party. Any agreement made in violation of this section is void.

4.3.2 Contractor will not employ subcontractors.

#### **4.4 Independent Contractor; Payment of Employment Taxes and Other Expenses.**

4.4.1 **Independent Contractor.** For the purposes of this Article 4, "Contractor" shall be deemed to include not only Contractor, but also any agent or employee of Contractor. Contractor acknowledges and agrees that at all times, Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor’s performing services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor’s work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon

request and during regular business hours, accurate books and accounting records demonstrating Contractor's compliance with this section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing in accordance with the requirements of this Agreement, City shall provide Contractor with written notice of such failure. Within five (5) business days of Contractor's receipt of such notice, and in accordance with Contractor policy and procedure, Contractor shall remedy the deficiency. Notwithstanding, if City believes that an action of Contractor, or any agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

**4.4.2 Payment of Employment Taxes and Other Expenses.** Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor or a Contractor staff member is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the employment tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority find an employment tax liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to this Section 4.4 shall be solely limited to the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys' fees, arising from this section.

#### **4.5 Assignment.**

The Services to be performed by Contractor are personal in character. Neither this Agreement, nor any duties or obligations hereunder, may be directly or indirectly assigned, novated, hypothecated, transferred, or delegated by Contractor, or, where the Contractor is a joint venture, a joint venture partner, (collectively referred to as an "Assignment") unless first approved by City by written instrument executed and approved in the same manner as this Agreement in accordance with the Administrative Code. The City's approval of any such Assignment is subject to the Contractor demonstrating to City's reasonable satisfaction that the proposed transferee is: (i) reputable and capable, financially and otherwise, of performing each of Contractor's obligations under this Agreement and any other documents to be assigned, (ii) not forbidden by applicable law from transacting business or entering into contracts with City; and (iii) subject to the jurisdiction of the courts of the State of California. A change of ownership or control of Contractor or a sale or transfer of substantially all of the assets of Contractor shall be deemed an Assignment for purposes of this Agreement. Contractor shall immediately notify City about any Assignment. Any purported Assignment made in violation of this provision shall be null and void.

#### **4.6 Warranty.**

Contractor warrants to City that the Services will be performed with the degree of skill and care that is required by current, good and sound professional procedures and practices, and in conformance with

generally accepted professional standards prevailing at the time the Services are performed so as to ensure that all Services performed are correct and appropriate for the purposes contemplated in this Agreement.

## **Article 5 Insurance and Indemnity**

### **5.1 Insurance.**

**5.1.1 Required Coverages.** Insurance limits are subject to Risk Management review and revision, as appropriate, as conditions warrant. 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:

(a) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and

(b) Commercial General Liability Insurance with limits not less than \$2,000,000 each occurrence for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; policy must include Abuse and Molestation coverage.

(c) 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..

(d) Professional Liability Insurance, applicable to Contractor's profession, with limits not less than \$1,000,000 for each claim with respect to negligent acts, errors or omissions in connection with the Services.

(e) Reserved. (Technology Errors and Omissions Coverage).

(f) Cyber and Privacy Coverage. Contractor shall maintain in force during the full life of the agreement Cyber and Privacy Insurance with limits of not less than \$2,000,000 per claim. Such insurance shall include coverage for liability arising from theft, dissemination, and/or use of confidential information, including but not limited to, bank and credit card account information or personal information, such as name, address, social security numbers, protected health information or other personally identifying information, stored or transmitted in any form.

**5.1.2** Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

**5.1.3** Contractor's Commercial General Liability and Commercial Automobile Liability Insurance policies shall provide 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 the insurance applies separately to each insured against whom claim is made or suit is brought.

**5.1.4** 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 Section 11.1, entitled "Notices to the Parties."

5.1.5 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.

5.1.6 Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

5.1.7 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.

5.1.8 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.

5.1.9 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.

5.1.10 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.

## 5.2 **Indemnification.**

5.2.1 Contractor shall indemnify and hold harmless City and its officers, agents and employees from, and, if requested, shall defend them from and against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (i) injury to or death of a person, including employees of City or Contractor; (ii) loss of or damage to property; (iii) violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personally identifiable information, health information, disability and labor laws or regulations; (iv) strict liability imposed by any law or regulation; or (v) losses arising from Contractor's execution of subcontracts not in accordance with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (i) – (v) above) arises directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to

perform some duty imposed by law or agreement on Contractor, its subcontractors, or either's agent or employee. Contractor shall also indemnify, defend and hold City harmless from all suits or claims or administrative proceedings for breaches of federal and/or state law regarding the privacy of health information, electronic records or related topics, arising directly or indirectly from Contractor's performance of this Agreement, except where such breach is the result of the active negligence or willful misconduct of City. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

5.2.2 In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter.

5.2.3 Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons arising directly or indirectly from the receipt by City, or any of its officers or agents, of Contractor's Services.

## **Article 6 Liability of the Parties**

### **6.1 Liability of City.**

CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 3.3.1, "PAYMENT," OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT

### **6.2 Liability for Use of Equipment.**

City shall not be liable for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or any of its subcontractors, or by any of their employees, even though such equipment is furnished, rented or loaned by City.

### **6.3 Liability for Incidental and Consequential Damages.**

Contractor shall be responsible for incidental and consequential damages resulting in whole or in part from Contractor's acts or omissions.

## **Article 7 Payment of Taxes**

### **7.1 Taxes.**

Except for any applicable California sales and use taxes charged by Contractor to City, Contractor shall pay all taxes, including possessory interest taxes levied upon or as a result of this Agreement, or the



Services delivered pursuant hereto. Contractor shall remit to the State of California any sales or use taxes paid by City to Contractor under this Agreement. Contractor agrees to promptly provide information requested by the City to verify Contractor's compliance with any State requirements for reporting sales and use tax paid by City under this Agreement.

## **7.2 Possessory Interest Taxes.**

Contractor acknowledges that this Agreement may create a "possessory interest" for property tax purposes. Generally, such a possessory interest is not created unless the Agreement entitles the Contractor to possession, occupancy, or use of City property for private gain. If such a possessory interest is created, then the following shall apply:

7.2.1 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that Contractor, and any permitted successors and assigns, may be subject to real property tax assessments on the possessory interest.

7.2.2 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may result in a "change in ownership" for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created by this Agreement. Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to the County Assessor the information required by Revenue and Taxation Code section 480.5, as amended from time to time, and any successor provision.

7.2.3 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that other events also may cause a change of ownership of the possessory interest and result in the revaluation of the possessory interest. (see, e.g., Rev. & Tax. Code section 64, as amended from time to time). Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report any change in ownership to the County Assessor, the State Board of Equalization or other public agency as required by law.

7.2.4 Contractor further agrees to provide such other information as may be requested by the City to enable the City to comply with any reporting requirements for possessory interests that are imposed by applicable law.

## **7.3 Withholding.**

Contractor agrees that it is obligated to pay all amounts due to the City under the San Francisco Business and Tax Regulations Code during the term of this Agreement. Pursuant to Section 6.10-2 of the San Francisco Business and Tax Regulations Code, Contractor further acknowledges and agrees that City may withhold any payments due to Contractor under this Agreement if Contractor is delinquent in the payment of any amount required to be paid to the City under the San Francisco Business and Tax Regulations Code. Any payments withheld under this paragraph shall be made to Contractor, without interest, upon Contractor coming back into compliance with its obligations.

## **Article 8 Termination and Default**

### **8.1 Termination for Convenience**

8.1.1 City shall have the option to terminate this Agreement, at any time during the term hereof, for convenience and without cause. City shall exercise this option by giving Contractor a minimum of 90 day's written notice of termination. The notice shall specify the date on which termination shall become effective. In addition, no termination can take place unless and until the Parties mutually agree that there will be no impact to patient care. In the event of termination, Contractor shall present the City with a final invoice for all appropriate charges.

## 8.2 Termination for Default; Remedies.

8.2.1 Each of the following shall constitute an immediate event of default ("Event of Default") under this Agreement. No termination for default can take place unless and until the Parties mutually agree that there will be no impact to patient care. :

(a) Contractor fails or refuses to perform or observe any term, covenant or condition contained in any of the following Sections of this Agreement:

3.5	Submitting False Claims.	10.10	Alcohol and Drug-Free Workplace
4.5	Assignment	10.13	Working with Minors
Article 5	Insurance and Indemnity	11.10	Compliance with Laws
Article 7	Payment of Taxes	Article 13	Data and Security

(b) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, including any obligation imposed by ordinance or statute and incorporated by reference herein, and such default is not cured within ten days after written notice thereof from City to Contractor. If Contractor defaults a second time in the same manner as a prior default cured by Contractor, City may in its sole discretion immediately terminate the Agreement for default or grant an additional period not to exceed five days for Contractor to cure the default.

(c) Contractor (i) is generally not paying its debts as they become due; (ii) files, or consents by answer or otherwise to the filing against it of a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction; (iii) makes an assignment for the benefit of its creditors; (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Contractor or of any substantial part of Contractor's property; or (v) takes action for the purpose of any of the foregoing.

(d) A court or government authority enters an order (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor's property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Contractor.

8.2.2 On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default, including by exercising its rights under San Francisco Administrative Code § 21.33; Contractor shall pay to City on

demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor: (i) all damages, losses, costs or expenses incurred by City as a result of an Event of Default; and (ii) any liquidated damages levied upon Contractor pursuant to the terms of this Agreement; and (iii), any damages imposed by any ordinance or statute that is incorporated into this Agreement by reference, or into any other agreement with the City.

8.2.3 All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy. Nothing in this Agreement shall constitute a waiver or limitation of any rights that City may have under applicable law.

8.2.4 Any notice of default must be sent by registered mail to the address set forth in Article 11.

### 8.3 Non-Waiver of Rights.

The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.

### 8.4 Rights and Duties upon Termination or Expiration.

8.4.1 This Section and the following Sections of this Agreement listed below, shall survive termination or expiration of this Agreement:

3.3.2	Payment Limited to Satisfactory Services	9.2	Works for Hire
3.3.7(a)	Grant Funded Contracts - Disallowance	11.6	Dispute Resolution Procedure
3.4	Audit and Inspection of Records	11.7	Agreement Made in California; Venue
3.5	Submitting False Claims	11.8	Construction
Article 5	Insurance and Indemnity	11.9	Entire Agreement
6.1	Liability of City	11.10	Compliance with Laws
6.3	Liability for Incidental and Consequential Damages	11.11	Severability
Article 7	Payment of Taxes	Article 13	Data and Security
9.1	Ownership of Results	Appendix E	Reserved

8.4.2 Subject to the survival of the Sections identified in Section 8.4.1, above, if this Agreement is terminated prior to expiration of the term specified in Article 2, this Agreement shall be of no further force or effect. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this

Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City.

## **Article 9 Rights In Deliverables**

### **9.1 Ownership of Results.**

Any interest of Contractor or its subcontractors, in the Deliverables, including any drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by Contractor or its subcontractors for the purposes of this agreement, shall become the property of and will be transmitted to City. However, unless expressly prohibited elsewhere in this Agreement, Contractor may retain and use copies for reference and as documentation of its experience and capabilities.

### **9.2 Works for Hire.**

If, in connection with Services, Contractor or its subcontractors creates Deliverables including, without limitation, artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes, or any other original works of authorship, whether in digital or any other format, such works of authorship shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works shall be the property of the City. If any Deliverables created by Contractor or its subcontractor(s) under this Agreement are ever determined not to be works for hire under U.S. law, Contractor hereby assigns all Contractor's copyrights to such Deliverables to the City, agrees to provide any material and execute any documents necessary to effectuate such assignment, and agrees to include a clause in every subcontract imposing the same duties upon subcontractor(s). With City's prior written approval, Contractor and its subcontractor(s) may retain and use copies of such works for reference and as documentation of their respective experience and capabilities.

## **Article 10 Additional Requirements Incorporated by Reference**

### **10.1 Laws Incorporated by Reference.**

The full text of the laws listed in this Article 10, including enforcement and penalty provisions, are incorporated by reference into this Agreement. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Article and elsewhere in the Agreement ("Mandatory City Requirements") are available at [http://www.amlegal.com/codes/client/san-francisco\\_ca/](http://www.amlegal.com/codes/client/san-francisco_ca/)

### **10.2 Conflict of Interest.**

By executing this Agreement, Contractor certifies that it does not know of any fact which constitutes a violation of Section 15.103 of the City's Charter; Article III, Chapter 2 of City's Campaign and Governmental Conduct Code; Title 9, Chapter 7 of the California Government Code (Section 87100 *et seq.*), or Title 1, Division 4, Chapter 1, Article 4 of the California Government Code (Section 1090 *et seq.*), and further agrees promptly to notify the City if it becomes aware of any such fact during the term of this Agreement.

### **10.3 Prohibition on Use of Public Funds for Political Activity.**

In performing the Services, Contractor shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by the City for this Agreement from being expended to

participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Contractor is subject to the enforcement and penalty provisions in Chapter 12G.

#### **10.4 Consideration of Salary History.**

Contractor shall comply with San Francisco Administrative Code Chapter 12K, the Consideration of Salary History Ordinance or "Pay Parity Act." Contractor is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Contractor is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Contractor is required to comply with all of the applicable provisions of 12K, irrespective of the listing of obligations in this Section.

#### **10.5 Nondiscrimination Requirements**

**10.5.1 Non Discrimination in Contracts.** Contractor shall comply with the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. Contractor shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Contractor is subject to the enforcement and penalty provisions in Chapters 12B and 12C.

**10.5.2 Nondiscrimination in the Provision of Employee Benefits.** San Francisco Administrative Code 12B.2. Contractor does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.

#### **10.6 Local Business Enterprise and Non-Discrimination in Contracting Ordinance.**

Contractor shall comply with all applicable provisions of Chapter 14B ("LBE Ordinance"). Contractor is subject to the enforcement and penalty provisions in Chapter 14B.

#### **10.7 Minimum Compensation Ordinance.**

If Administrative Code Chapter 12P applies to this contract, Contractor shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. Contractor is subject to the enforcement and penalty provisions in Chapter 12P. Information about and the text of the Chapter 12P is available on the web at <http://sfgov.org/olse/mco>. Contractor is required to comply with all of the applicable provisions of 12P, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, Contractor certifies that it complies with Chapter 12P.

#### **10.8 Health Care Accountability Ordinance.**

If Administrative Code Chapter 12Q applies to this contract, Contractor shall comply with the requirements of Chapter 12Q. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of the Chapter 12Q, as well as the Health Commission's minimum standards, is available on the web at <http://sfgov.org/olse/hcao>. Contractor is subject to the enforcement and penalty provisions in Chapter 12Q. Any Subcontract entered into by Contractor shall require any Subcontractor with 20 or more employees to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

#### **10.9 First Source Hiring Program.**

Contractor must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code, that apply to this Agreement, and Contractor is subject to the enforcement and penalty provisions in Chapter 83.

#### **10.10 Alcohol and Drug-Free Workplace.**

City reserves the right to deny access to, or require Contractor to remove from, City facilities personnel of any Contractor or subcontractor who City has reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs City's ability to maintain safe work facilities or to protect the health and well-being of City employees and the general public. City shall have the right of final approval for the entry or re-entry of any such person previously denied access to, or removed from, City facilities. Illegal drug activity means possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

Contractor agrees in the performance of this Agreement to maintain a drug-free workplace by notifying employees that unlawful drug use is prohibited and specifying what actions will be taken against employees for violations; establishing an on-going drug-free awareness program that includes employee notification and, as appropriate, rehabilitation. Contractor can comply with this requirement by implementing a drug-free workplace program that complies with the Federal Drug-Free Workplace Act of 1988 (41 U.S.C. § 701).

#### **10.11 Limitations on Contributions.**

By executing this Agreement, Contractor acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, for a grant, loan or loan guarantee, or for a development agreement, from making any campaign contribution to (i) a City elected official if the contract must be approved by that official, a board on which that official serves, or the board of a state agency on which an appointee of that official serves, (ii) a candidate for that City elective office, or (iii) a committee controlled by such elected official or a candidate for that office, at any time from the submission of a proposal for the contract until the later of either the termination of negotiations for such contract or twelve months after the date the City approves the contract. The prohibition on contributions applies to each prospective party to the contract; each member of

Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 10% in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to the City department with whom it is contracting.

**10.12 Reserved. (Slavery Era Disclosure.)**

**10.13 Reserved. (Working with Minors.)**

**10.14 Consideration of Criminal History in Hiring and Employment Decisions**

10.14.1 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 <http://sfgov.org/olse/fco>. 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.

10.14.2 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, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco. Chapter 12T 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.

**10.15 Public Access to Nonprofit Records and Meetings.**

If Contractor receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the San Francisco Administrative Code, Contractor must comply with the City's Public Access to Nonprofit Records and Meetings requirements, as set forth in Chapter 12L of the San Francisco Administrative Code, including the remedies provided therein.

**10.16 Food Service Waste Reduction Requirements.**

Contractor shall comply with the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including but not limited to the remedies for noncompliance provided therein.

**10.17 Distribution of Beverages and Water.**

10.17.1 **Sugar-Sweetened Beverage Prohibition.** Contractor agrees that it shall 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.

10.17.2 **Packaged Water Prohibition.** Contractor agrees that it shall not sell, provide, or otherwise distribute Packaged Water, as defined by San Francisco Environment Code Chapter 24, as part of its performance of this Agreement.

10.18 **Tropical Hardwood and Virgin Redwood Ban.**

Pursuant to San Francisco Environment Code Section 804(b), the City urges Contractor not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

10.19 **Reserved. (Preservative Treated Wood Products.)**

**Article 11 General Provisions**

11.1 **Notices to the Parties.**

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

To CITY:	Office of Contract Management and Compliance Department of Public Health 101 Grove Street, Room 410 San Francisco, California 94102	e-mail: <a href="mailto:Dereje.geleta@sfdph.org">Dereje.geleta@sfdph.org</a>
And:	Natasha Hamilton Director of Care Coordination 375 Laguna Honda Blvd	<a href="mailto:natasha.hamilton@sfdph.org">natasha.hamilton@sfdph.org</a>
To CONTRACTOR:	Jian Zhang, DNP 845 Jackson st. San Francisco, California 94133	e-mail: <a href="mailto:jianz@chasf.org">jianz@chasf.org</a>

Any notice of default must be sent by registered mail or other trackable overnight mail. Either Party may change the address to which notice is to be sent by giving written notice thereof to the other Party. If email notification is used, the sender must specify a receipt notice.

11.2 **Compliance with Americans with Disabilities Act.**

Contractor shall provide the Services in a manner that complies with the Americans with Disabilities Act (ADA), including but not limited to Title II's program access requirements, and all other applicable federal, state and local disability rights legislation.

11.3 **Incorporation of Recitals.**

The matters recited above are hereby incorporated into and made part of this Agreement.

11.4 **Sunshine Ordinance.**

Contractor acknowledges that this Agreement and all records related to its formation, Contractor's performance of Services, and City's payment are subject to the California Public Records Act, (California Government Code §6250 et. seq.), and the San Francisco Sunshine Ordinance, (San Francisco



Administrative Code Chapter 67). Such records are subject to public inspection and copying unless exempt from disclosure under federal, state or local law.

#### **11.5 Modification of this Agreement.**

This Agreement may not be modified, nor may compliance with any of its terms be waived, except as noted in Section 11.1, "Notices to Parties," regarding change in personnel or place, and except by written instrument executed and approved in the same manner as this Agreement. Contractor shall cooperate with Department to submit to the Director of CMD any amendment, modification, supplement or change order that would result in a cumulative increase of the original amount of this Agreement by more than 20% (CMD Contract Modification Form).

#### **11.6 Dispute Resolution Procedure.**

**11.6.1 Negotiation; Alternative Dispute Resolution.** The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of services under this Agreement. If the Parties are unable to resolve the dispute, then, pursuant to San Francisco Administrative Code Section 21.36, Contractor may submit to the Contracting Officer a written request for administrative review and documentation of the Contractor's claim(s). Upon such request, the Contracting Officer shall promptly issue an administrative decision in writing, stating the reasons for the action taken and informing the Contractor of its right to judicial review. If agreed by both Parties in writing, disputes may be resolved by a mutually agreed-upon alternative dispute resolution process. If the parties do not mutually agree to an alternative dispute resolution process or such efforts do not resolve the dispute, then either Party may pursue any remedy available under California law. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its obligations under this Agreement in accordance with the Agreement and the written directions of the City. Neither Party will be entitled to legal fees or costs for matters resolved under this section.

**11.6.2 Government Code Claim Requirement.** No suit for money or damages may be brought against the City until a written claim therefor has been presented to and rejected by the City in conformity with the provisions of San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq. Nothing set forth in this Agreement shall operate to toll, waive or excuse Contractor's compliance with the California Government Code Claim requirements set forth in San Francisco Administrative Code Chapter 10 and California Government Code Section 900, et seq.

**11.6.3 Health and Human Service Contract Dispute Resolution Procedure.** The Parties shall resolve disputes that have not been resolved administratively by other departmental remedies in accordance with the Dispute Resolution Procedure set forth in Appendix G incorporated herein by this reference

#### **11.7 Agreement Made in California; Venue.**

The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

#### **11.8 Construction.**

All paragraph captions are for reference only and shall not be considered in construing this Agreement.

#### **11.9 Entire Agreement.**

This contract sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions. This Agreement may be modified only as provided in Section 11.5, "Modification of this Agreement."

**11.10 Compliance with Laws.**

Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and duly adopted rules and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

**11.11 Severability.**

Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

**11.12 Cooperative Drafting.**

This Agreement has been drafted through a cooperative effort of City and Contractor, 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.

**11.13 Order of Precedence.**

If the Appendices to this Agreement include any standard printed terms from the Contractor, Contractor agrees that in the event of discrepancy, inconsistency, gap, ambiguity, or conflicting language between the City's terms and Contractor's printed terms attached, the City's terms shall take precedence, followed by the procurement issued by the department, Contractor's proposal, and Contractor's printed terms, respectively.

**11.14 Notification of Legal Requests.**

Contractor shall immediately notify City upon receipt of any subpoenas, service of process, litigation holds, discovery requests and other legal requests ("Legal Requests") related to all data given to Contractor by City in the performance of this Agreement ("City Data" or "Data"), or which in any way might reasonably require access to City's Data, and in no event later than 24 hours after it receives the request. Contractor shall not respond to Legal Requests related to City without first notifying City other than to notify the requestor that the information sought is potentially covered under a non-disclosure agreement. Contractor shall retain and preserve City Data in accordance with the City's instruction and requests, including, without limitation, any retention schedules and/or litigation hold orders provided by the City to Contractor, independent of where the City Data is stored.

**Article 12 Department Specific Terms**

**12.1 Third Party Beneficiaries.**

No third parties are intended by the parties hereto to be third party beneficiaries under this Agreement, and no action to enforce the terms of this Agreement may be brought against either party by any person who is not a party hereto.

## 12.2 Exclusion Lists and Employee Verification.

Upon hire and monthly thereafter, Contractor will check the exclusion lists published by the Office of the Inspector General (OIG), General Services Administration (GSA), and the California Department of Health Care Services (DHCS) to ensure that any employee, temporary employee, volunteer, consultant, or governing body member responsible for oversight, administering or delivering state or federally-funded services who is on any of these lists is excluded from (may not work in) your program or agency. Proof of checking these lists must be retained for seven years.

## Article 13 Data and Security

### 13.1 Nondisclosure of Private, Proprietary or Confidential Information.

**13.1.1 Protection of Private Information.** If this Agreement requires City to disclose "Private Information" to Contractor within the meaning of San Francisco Administrative Code Chapter 12M, Contractor and subcontractor shall use such information only in accordance with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Contractor is subject to the enforcement and penalty provisions in Chapter 12M.

**13.1.2 Confidential Information.** In the performance of Services, Contractor may have access to City's proprietary or Confidential Information, the disclosure of which to third parties may damage City. If City discloses proprietary or Confidential Information to Contractor, such information must be held by Contractor in confidence and used only in performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or Confidential Information.

### 13.2 Reserved. (Payment Card Industry ("PCI") Requirements.)

### 13.3 Business Associate Agreement.

The parties acknowledge that CITY is a Covered Entity as defined in the Healthcare Insurance Portability and Accountability Act of 1996 ("HIPAA") and is required to comply with the HIPAA Privacy Rule governing the access, use, disclosure, transmission, and storage of protected health information (PHI) and the Security Rule under the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("the HITECH Act").

### The parties acknowledge that CONTRACTOR will:

1.  Do **at least one** or more of the following:
  - A. Create, receive, maintain, or transmit PHI for or on behalf of CITY/SFDPH (including storage of PHI, digital or hard copy, even if Contractor does not view the PHI or only does so on a random or infrequent basis); or
  - B. Receive PHI, or access to PHI, from CITY/SFDPH or another Business Associate of City, as part of providing a service to or for CITY/SFDPH, including legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation, or financial; or

C. Transmit PHI data for CITY/SFDPH and require access on a regular basis to such PHI. (Such as health information exchanges (HIEs), e-prescribing gateways, or electronic health record vendors)

**FOR PURPOSES OF THIS AGREEMENT, CONTRACTOR IS A BUSINESS ASSOCIATE OF CITY/SFDPH, AS DEFINED UNDER HIPAA. CONTRACTOR MUST COMPLY WITH AND COMPLETE THE FOLLOWING ATTACHED DOCUMENTS, INCORPORATED TO THIS AGREEMENT AS THOUGH FULLY SET FORTH HEREIN:**

- a. **Appendix E** SFDPH Business Associate Agreement (BAA) (04-12-2018)
  1. SFDPH Attestation 1 PRIVACY (06-07-2017)
  2. SFDPH Attestation 2 DATA SECURITY (06-07-2017)
2.  **NOT do any of the activities listed above in subsection 1;**  
Contractor is not a Business Associate of CITY/SFDPH. Appendix E and attestations are not required for the purposes of this Agreement.

The parties acknowledge and agree that the City and Contractor are each HIPAA Covered Entities and as such may use and disclose Protected Health Information for treatment, payment and health care operations and for other purposes to the extent permitted by HIPAA and other applicable law.

**13.4 Management of City Data and Confidential Information**

**13.4.1 Access to City Data.** City shall at all times have access to and control of all data given to Contractor by City in the performance of this Agreement (“City Data” or “Data”), and shall be able to retrieve it in a readable format, in electronic form and/or print, at any time, at no additional cost.

**13.4.2 Use of City Data and Confidential Information.** Contractor agrees to hold City's Confidential Information received from or created on behalf of the City in strictest confidence. Contractor shall not use or disclose City's Data or Confidential Information except as permitted or required by the Agreement or as otherwise authorized in writing by the City. Any work using, or sharing or storage of, City's Confidential Information outside the United States is subject to prior written authorization by the City. Access to City's Confidential Information must be strictly controlled and limited to Contractor’s staff assigned to this project on a need-to-know basis only. Contractor is provided a limited non-exclusive license to use the City Data or Confidential Information solely for performing its obligations under the Agreement and not for Contractor’s own purposes or later use. Nothing herein shall be construed to confer any license or right to the City Data or Confidential Information, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data or Confidential Information by Contractor, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase “unauthorized use” means the data mining or processing of data, stored or transmitted by the service, for commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.

**13.4.3 Disposition of Confidential Information.** Upon termination of Agreement or request of City, Contractor shall within forty-eight (48) hours return all Confidential Information which includes all original media. Once Contractor has received written confirmation from City that

Confidential Information has been successfully transferred to City, Contractor shall within ten (10) business days purge all Confidential Information from its servers, any hosted environment Contractor has used in performance of this Agreement, work stations that were used to process the data or for production of the data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within five (5) business days of the purge.

**13.4.4 Protected Health Information.** Contractor, all subcontractors, all agents and employees of Contractor and any subcontractor shall comply with all federal and state laws regarding the transmission, storage and protection of all private health information disclosed to Contractor by City in the performance of this Agreement. Contractor agrees that any failure of Contractor to comply with the requirements of federal and/or state and/or local privacy laws shall be a material breach of the Contract. In the event that City pays a regulatory fine, and/or is assessed civil penalties or damages through private rights of action, based on an impermissible use or disclosure of protected health information given to Contractor or its subcontractors or agents by City, Contractor shall indemnify City for the amount of such fine or penalties or damages, including costs of notification. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Contract.

#### **Article 14 MacBride Principles -Northern Ireland.**

The provisions of San Francisco Administrative Code §12F are incorporated herein by this reference and made part of this Agreement. By signing this Agreement, Contractor confirms that Contractor has read and understood that the City urges companies doing business in Northern Ireland to resolve employment inequities and to abide by the MacBride Principles, and urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

#### **Article 15 Official Actions Relating to the Emergency; FEMA Assistance.**

**15.1 Orders of Local, State or Federal Officials.** City and Contractor mutually acknowledge that local, state, or federal authorities may issue official orders related to the COVID-19 epidemic, or take other official actions, subsequent to the execution of this Agreement that Parties to this Agreement cannot presently predict. City and Contractor mutually acknowledge and agree that this Agreement shall be subject to the provisions of any such official action or order (“Official Actions”), as they may be revised and updated. If the provisions of any such Official Actions materially impact the terms of this Agreement, the provisions of those Official Actions shall govern. Contractor shall stay updated on the status of the City Health Officer orders by checking the Department of Public Health website (sfdph.org) regularly.

**15.2 FEMA Assistance.** This is an acknowledgement that FEMA financial assistance will be requested by City and if provided will be used to fund all or a portion of this Agreement. Contractor shall comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives, including the FEMA Contract Requirements attached hereto as Appendix H and incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first mentioned above.

**CITY**

**CONTRACTOR**

Recommended by:

Chinese Hospital Association

DocuSigned by:  
*Greg Wagner* 02/23/2023 | 10:35 AM PST  
28527524752949F...  
Grant Colfax, MD  
Director of Health  
Department of Public Health

DocuSigned by:  
*Jian Zhang* 02/17/2023 | 11:08 AM PST  
0BBE6D1EE6AC4DF...  
Jian Zhang, DNP  
Chief Executive Officer  
845 Jackson Street  
San Francisco, CA 94133

Supplier ID: 0000022940

Approved as to Form:

David Chiu  
City Attorney

By: DocuSigned by:  
*Louise Simpson* 02/17/2023 | 4:19 PM PST  
BD54168A4C3B452...  
Louise Simpson  
Deputy City Attorney

Approved:

DocuSigned by:  
*Taraneh Moayed* 03/28/2023 | 12:22 PM PDT  
9AE44694D514E7...  
Sailaja Kurella  
Director of the Office of Contract Administration, and  
Purchaser

**Appendices**

- A: Scope of Services**
- B: Calculation of Charges**
- C: Reserved**
- D: Data Access Agreement**
- E: BAA Reserved**
- F: Invoice**

- G Dispute Resolution Procedure**
- H FEMA Contracts Requirements**

## **Appendix A Scope of Services**

### **1. Terms**

A. Contract Administrator:

In performing the Services hereunder, Contractor shall report to Natasha Hamilton, Contract Administrator for the City, or his / her designee.

B. Reports:

Contractor shall submit written reports as requested by the City. The format for the content of such reports shall be determined by the City. The timely submission of all reports is a necessary and material term and condition of this Agreement. All reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.

C. Evaluation:

Contractor shall participate as requested with the City, State and/or Federal government in evaluative studies designed to show the effectiveness of Contractor's Services. Contractor agrees to meet the requirements of and participate in the evaluation program and management information systems of the City.

For contracts for the provision of services at San Francisco General or Laguna Honda Hospital and Rehabilitation Center, the evaluation program shall include agreed upon performance measures as specified in the Performance Improvement Plan and Performance Measure Grid which is presented in Attachment 1 to Appendix A. Performance measures are reported annually to the Zuckerberg San Francisco General performance improvement committees (PIPS and Quality Council) or the to the Administration Office of Laguna Honda Hospital and Rehabilitation Center.

The City agrees that any final written reports generated through the evaluation program shall be made available to Contractor within thirty (30) working days. Contractor may submit a written response within thirty working days of receipt of any evaluation report and such response will become part of the official report.

D. Possession of Licenses/Permits:

Contractor warrants the possession of all licenses and/or permits required by the laws and regulations of the United States, the State of California, and the City to provide the Services. Failure to maintain these licenses and permits shall constitute a material breach of this Agreement.

E. Adequate Resources:

Contractor agrees that it has secured or shall secure at its own expense all persons, employees and equipment required to perform the Services required under this Agreement, and that all such Services shall be performed by Contractor, or under Contractor's supervision, by persons authorized by law to perform such Services.

F. Admission Policy:

Admission policies for the Services shall be in writing and available to the public. Except to the extent that the Services are to be rendered to a specific population as described in the programs listed in Section 2 of Appendix A, such policies must include a provision that clients are accepted for care without discrimination on the basis of race, color, creed, religion, sex, age, national origin, ancestry, sexual orientation, gender identification, disability, or AIDS/HIV status.

G. San Francisco Residents Only:

Only San Francisco residents shall be treated under the terms of this Agreement. Exceptions must have the written approval of the Contract Administrator.

H. Grievance Procedure:

Contractor agrees to establish and maintain a written Client Grievance Procedure which shall include the following elements as well as others that may be appropriate to the Services: (1) the name or title of the person or persons authorized to make a determination regarding the grievance; (2) the opportunity for the aggrieved party to discuss the grievance with those who will be making the determination; and (3) the right of a client dissatisfied with the decision to ask for a review and recommendation from the community advisory board or planning council that has purview over the aggrieved service. Contractor shall provide a copy of this procedure, and any amendments thereto, to each client and to the Director of Public Health or his/her designated agent (hereinafter referred to as "DIRECTOR"). Those clients who do not receive direct Services will be provided a copy of this procedure upon request.

I. Infection Control, Health and Safety:

(1) Contractor must have a Bloodborne Pathogen (BBP) Exposure Control plan for its employees, agents and subcontractors as defined in the California Code of Regulations, Title 8, Section 5193, Bloodborne Pathogens (<http://www.dir.ca.gov/title8/5193.html>), and demonstrate compliance with all requirements including, but not limited to, exposure determination, training, immunization, use of personal protective equipment and safe needle devices, maintenance of a sharps injury log, post-exposure medical evaluations, and recordkeeping.

(2) Contractor must demonstrate personnel policies/procedures for protection of its employees, agents, subcontractors and clients from other communicable diseases prevalent in the population served. Such policies and procedures shall include, but not be limited to, work practices, personal protective equipment, staff/client Tuberculosis (TB) surveillance, training, etc.

(3) Contractor must demonstrate personnel policies/procedures for Tuberculosis (TB) exposure control consistent with the Centers for Disease Control and Prevention (CDC) recommendations for health care facilities and based on the Francis J. Curry National Tuberculosis Center: Template for Clinic Settings, as appropriate.

(4) Contractor is responsible for site conditions, equipment, health and safety of their employees, and all other persons who work or visit the job site.

(5) Contractor shall assume liability for any and all work-related injuries/illnesses including infectious exposures such as BBP and TB and demonstrate appropriate policies and procedures for reporting such events and providing appropriate post-exposure medical management as required by State workers' compensation laws and regulations.



(6) Contractor shall comply with all applicable Cal-OSHA standards including maintenance of the OSHA 300 Log of Work-Related Injuries and Illnesses.

(7) Contractor assumes responsibility for procuring all medical equipment and supplies for use by its employees, agents and subcontractors, including safe needle devices, and provides and documents all appropriate training.

(8) Contractor shall demonstrate compliance with all state and local regulations with regard to handling and disposing of medical waste.

J. Aerosol Transmissible Disease Program, Health and Safety:

(1) Contractor must have an Aerosol Transmissible Disease (ATD) Program as defined in the California Code of Regulations, Title 8, Section 5199, Aerosol Transmissible Diseases (<http://www.dir.ca.gov/Title8/5199.html>), and demonstrate compliance with all requirements including, but not limited to, exposure determination, screening procedures, source control measures, use of personal protective equipment, referral procedures, training, immunization, post-exposure medical evaluations/follow-up, and recordkeeping.

(2) Contractor shall assume liability for any and all work-related injuries/illnesses including infectious exposures such as Aerosol Transmissible Disease and demonstrate appropriate policies and procedures for reporting such events and providing appropriate post-exposure medical management as required by State workers' compensation laws and regulations.

(3) Contractor shall comply with all applicable Cal-OSHA standards including maintenance of the OSHA 300 Log of Work-Related Injuries and Illnesses.

(4) Contractor assumes responsibility for procuring all medical equipment and supplies for use by their employees, agents, subcontractors including Personnel Protective Equipment such as respirators, and provides and documents all appropriate training.

K. Acknowledgment of Funding:

Contractor agrees to acknowledge the San Francisco Department of Public Health in any printed material or public announcement describing the San Francisco Department of Public Health-funded Services. Such documents or announcements shall contain a credit substantially as follows: "This program/service/activity/research project was funded through the Department of Public Health, City and County of San Francisco."

L. Client Fees and Third Party Revenue:

(1) Fees required by federal, state or City laws or regulations to be billed to the client, client's family, or insurance company, shall be determined in accordance with the client's ability to pay and in conformance with all applicable laws. Such fees shall approximate actual cost. No additional fees may be charged to the client or the client's family for the Services. Inability to pay shall not be the basis for denial of any Services provided under this Agreement.

(2) Contractor agrees that revenues or fees received by Contractor related to Services performed and materials developed or distributed with funding under this Agreement shall be used to increase the gross program funding such that a greater number of persons may receive Services. Accordingly, these revenues and fees shall not be deducted by Contractor from its billing to the City.

M. Patients Rights:

All applicable Patients Rights laws and procedures shall be implemented.

N. Under-Utilization Reports:

For any quarter that Contractor maintains less than ninety percent (90%) of the total agreed upon units of service for any mode of service hereunder, Contractor shall immediately notify the Contract Administrator in writing and shall specify the number of underutilized units of service.

O. Quality Assurance:

Contractor agrees to develop and implement a Quality Assurance Plan based on internal standards established by Contractor applicable to the Services as follows:

- 1) Staff evaluations completed on an annual basis.
- 2) Personnel policies and procedures in place, reviewed and updated annually.
- 3) Board Review of Quality Assurance Plan.

**2. Description of Services**

Contractor agrees to perform the following Services:

All written Deliverables, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.

Detailed description of services are listed below and are attached hereto

Appendix A-1: Subacute Skilled Nursing and Surge Support for Skilled Nursing

**3. Services Provided by Attorneys.** Any services to be provided by a law firm or attorney to the City must be reviewed and approved in writing in advance by the City Attorney. 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.

**Attachment 1 to Appendix A**

**PERFORMANCE IMPROVEMENT PLAN  
AND PERFORMANCE MEASURE GRID**

**Contract Services**

**AIM:** All services provided through contractual agreement are provided safely and effectively for patient care and support services, annually.

<b>Contract Name</b>	<b>Services Provided</b>	<b>Measure Name</b>	<b>Metric (What data is being collected? )</b>
<b>1. Chinese Hospital</b>	Transfer of Patients in Support of surge or Emergency	Beds provided	Contractor supplies agreed upon # of beds.

**Appendix A-1  
Subacute Skilled Nursing and Skilled Nursing Facility Beds  
For Hospital Overflow or Emergency Needs  
FY2023-2024**

**I. Contractor shall provide services in the following 2 services categories.**

1. Service Category 1: Subacute Skilled Nursing Care

Provided within the City and County of San Francisco. Providers which can provide Subacute Skilled Nursing Care for patients who require ongoing specialized care, such as tracheotomy care, complex wound management, intravenous tube feeding, and/or ventilator care after an acute hospitalization.

2. Service Category 2: Surge / Emergency Skilled Nursing Facilities (SNF)

Provided within the City and County of San Francisco. Providers which can provide skilled nursing level of care to accommodate surge overflow or other emergency situations. These beds are for San Francisco residents who meet the medical criteria for admission for Subacute or skilled nursing levels of care. Placement for lower level of care patients to support maintaining acute surge capacity at Zuckerberg San Francisco General Hospital (ZSFGH).

**II. Roles and Responsibilities:**

1. Review referrals within 48 hours from day received. If the referral is appropriate, coordinate transport to admit the patient as soon as clinically appropriate. If the referral is not appropriate, Chinese Hospital will inform the referring staff what conditions are preventing admission so the patient can be re-referred once the barriers are resolved.
2. Once admitted, provide identified care needs and discharge planning. San Francisco Department of Public Health (DPH) will provide additional discharge planning support, such as consultation and resource linkage for behavioral/mental health, community medical appointments and entitlement benefits, as needed by the requests from Chinese Hospital Association.
3. Conduct standard Utilization Management and Care Coordination per applicable State and Federal regulations.
4. Provide San Francisco Department of Public Health monthly census with admission and discharge information
5. Provide Department of Public Health access to Utilization Management and Quality Assurance records upon request for audit.
6. Bill insurance or other appropriate payor sources when allowed
7. Invoice San Francisco Department of Public Health monthly.

## **Appendix B Calculation of Charges**

### **1. Method of Payment**

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

### **2. Program Budgets and Final Invoice**

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

Appendix B-1: Budget summary -Subacute Skilled Nursing and Skilled Nursing Facility Beds for Hospital Overflow or Emergency Needs FY2023-2024

B. Contractor understands that, of the maximum dollar obligation listed in section 3.3.1 of this Agreement, **\$1,059,840** 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.

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 Services rendered during the referenced period of performance. If Services are not invoiced during this period, all unexpended funding set aside for this Agreement will revert to City. City's final reimbursement to the Contractor at the close of the Agreement period shall be adjusted to conform to actual units certified multiplied by the unit rates identified in the Program Budgets attached hereto, and shall not exceed the total amount authorized and certified for this Agreement.

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.

<b>Appendix B-1</b>			
<b>Budget Summary</b>			
<b>Subacute Skilled Nursing and Skilled Nursing Facility Beds for</b>			
<b>Hospital Overflow or Emergency Needs</b>			
<b>FY2023-2024</b>			
		Contract Rate/Bed/Day	Contract Rate (Year 1 for 23 bed)
8 Months	SNF Bed	1,350.00	\$7,452,000.00
4 Months	SNF Bed	500.00	\$1,380,000.00
<b>Sub Total</b>			<b>\$8,832,000.00</b>
<b>Contingency 12%</b>			<b>\$1,059,840.00</b>
<b>Not To Exceed Amount</b>			<b>\$9,891,840.00</b>

If there is a delay beyond Month 8 in receiving the CDPH & CMS Certification, the Contractor will continue to be paid at the higher Contract Rate/Bed/Day amount.

If CDPH & CMS Certification is received before the 8-month mark, the rate /bed/day will be reduced to \$500.

**Appendix C**  
**Reserved**

## **APPENDIX D**

### **Data Access Agreement**

#### **Article 1 Access**

##### **1.1 Revision to Scope of Access (RSA):**

Any added access may be granted by the City to Agency and each Agency Data User through a Revision to Scope of Access in writing and executed by both parties. Any Revision to Scope of Access shall be considered a part of and incorporated into this Agreement, governed by all its terms, by reference.

##### **1.2 Primary and Alternate Agency Site Administrator.**

Before System(s) access is granted, Agency must appoint a primary and alternate Agency Site Administrator responsible for System(s) access tasks, including but not limited to the following:

1.2.1 Completing and obtaining City approval of the Account Provisioning Request documents and/or Data Set Request documents;

1.2.2 Communicating with the SFDPH IT Service Desk;

1.2.3 Providing Agency Data User(s) details to the City;

1.2.4 Ensuring that Agency Data User(s) complete required SFDPH trainings annually;

1.2.5 Ensuring that Agency Data User(s) understand and execute SFDPH's data access confidentiality agreement; and

1.2.6 Provisioning and deprovisioning Agency Data Users as detailed herein. To start the process, the Agency Site Administrator must contact the SFDPH IT Service Desk at 628-206-7378, [dph.helpdesk@sfdph.org](mailto:dph.helpdesk@sfdph.org).

##### **1.3 SFDPH IT Service Desk.**

For new provisioning requests, only Agency Site Administrators are authorized to contact the SFDPH IT Service Desk. The City reserves the right to decline any call placed by other than the Agency Site Administrator. Individual Agency Data Users are not authorized to contact the SFDPH IT Service Desk.

##### **1.4 Deprovisioning Schedule.**

Agency, through the Agency Site Administrator, has sole responsibility to deprovision Agency Data Users from the System(s) as appropriate on an ongoing basis. Agency must immediately deprovision an Agency Data User upon any event ending that Data User's need to access the System(s), including job duty change and/or termination. Agency remains liable for the conduct of Agency Data Users until deprovisioned. When deprovisioning employees via the SFDPH IT Service Desk, Agency must maintain evidence that the SFDPH IT Service Desk was notified.

##### **1.5 Active Directory.**

Agency Data Users will need an SFDPH Active Directory account in order to access each System(s). These Active Directory Accounts will be created as part of the provisioning process.

##### **1.6 Role Based Access.**



Each Agency Data User's access to the System(s) will be role-based and access is limited to that necessary for treatment, payment, and health care operations. The City will assign Agency Data User roles upon provisioning and reserves the right to deny, revoke, limit, or modify Agency Data User's access acting in its sole discretion.

**1.7 Training Requirements.**

Before System(s) access is granted, and annually thereafter, each Agency Data User must complete SFDPH compliance, privacy, and security training. Agency must maintain written records evidencing such annual training for each Agency Data User and provide copies upon request to the City. For questions about how to complete SFDPH's compliance, privacy, and security training, contact Compliance.Privacy@sfdph.org, (855) 729-6040.

Before Agency Data User first access to System(s), system-specific training must be completed. For training information, Agency Site Administrator may contact the SFDPH IT Service Desk,

**1.8 Agency Data User Confidentiality Agreement.**

Before System(s) access is granted, as part of SFDPH's compliance, privacy, and security training, each Agency Data User must complete SFDPH's individual user confidentiality, data security and electronic signature agreement form. The agreement must be renewed annually.

**1.9 Corrective Action.**

Agency shall take corrective action, including but not limited to termination and/or suspension of any System(s) access by any Agency Data User who acts in violation of this Agreement and/or applicable regulatory requirements.

**1.10 User ID and Password.**

Each Agency Data User will be assigned or create a User ID and password. Agency and each Agency Data User shall protect the confidentiality of User IDs and passwords and shall not divulge them to any other person(s). Agency is responsible for the security of the User IDs and passwords issued to or created by Agency Data Users and is liable for any misuse.

**1.11 Notification of Compromised Password.**

In the event that a password assigned to or created by an Agency Data User is compromised or disclosed to a person other than the Agency Data User, Agency shall upon learning of the compromised password immediately notify the City, at Compliance.Privacy@sfdph.org, (855) 729-6040. Agency is liable for any such misuse. Agency's failure to monitor each Agency Data User's ID and/or password use shall provide grounds for the City to terminate and/or limit Agency's System(s) access.

**1.12 Multi Factor Authentication.**

Agency and each Agency Data User must use multi-factor authentication as directed by the City to access the System(s).

**1.13 Qualified Personnel.**

Agency shall allow only qualified personnel under Agency's direct supervision to act as Agency Data Users with access to the System(s).

**1.14 Workstation/Laptop encryption.**

All workstations and laptops that process and/or store City Data must be encrypted using a current industry standard algorithm. The encryption solution must be full disk unless approved by the SFDPH Information Security Office.

**1.15 Server Security.**

Servers containing unencrypted City Data must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review.

**1.16 Removable media devices.**

All electronic files that contain City Data must be encrypted using a current industry standard algorithm when stored on any removable media or portable device (i.e. USB thumb drives, CD/DVD, smart devices tapes etc.).

**1.17 Antivirus software.**

All workstations, laptops and other systems that process and/or store City Data must install and actively use a comprehensive anti-virus software solution with automatic updates scheduled at least daily.

**1.18 Patch Management.**

All workstations, laptops and other systems that process and/or store City Data must have operating system and application security patches applied, with system reboot if necessary. There must be a documented patch management process that determines installation timeframe based on risk assessment and vendor recommendations.

**1.19 System Timeout.**

The system must provide an automatic timeout, requiring reauthentication of the user session after no more than 20 minutes of inactivity.

**1.20 Warning Banners.**

All systems containing City Data must display a warning banner each time a user attempts access, stating that data is confidential, systems are logged, and system use is for business purposes only. User must be directed to log off the system if they do not agree with these requirements.

**1.21 Transmission encryption.**

All data transmissions of City Data outside the Agency's secure internal network must be encrypted using a current industry standard algorithm. Encryption can be end to end at the network level, or the data files containing City Data can be encrypted. This requirement pertains to any type of City Data in motion such as website access, file transfer, and e-mail.

**1.22 No Faxing/Mailing.**

City Data may not be faxed or mailed.

**1.23 Intrusion Detection.**

All systems involved in accessing, holding, transporting, and protecting City Data that are accessible via the Internet must be protected by a comprehensive intrusion detection and prevention solution.

of the City.

**1.24 Security of PHI.**

Agency is solely responsible for maintaining data security policies and procedures, consistent with those of the City that will adequately safeguard the City Data and the System. Upon request, Agency will provide such security policies and procedures to the City. The City may examine annually, or in response to a security or privacy incident, Agency's facilities, computers, privacy and security policies and procedures and related records as may be necessary to be assured that Agency is in compliance with the terms of this Agreement, and as applicable HIPAA, the HITECH Act, and other federal and state privacy and security laws and regulations. Such examination will occur at a mutually acceptable time agreed upon by the parties but no later than ten (10) business days of Agency's receipt of the request.

#### **1.25 Data Security and City Data**

Agency shall provide security for its networks and all internet connections consistent with industry best practices, and will promptly install all patches, fixes, upgrades, updates and new versions of any security software it employs. For information disclosed in electronic form, Agency agrees that appropriate safeguards include electronic barriers (e.g., "firewalls", Transport Layer Security (TLS), Secure Socket Layer [SSL] encryption, or most current industry standard encryption, intrusion prevention/detection or similar barriers).

#### **1.26 Data Privacy and Information Security Program.**

Without limiting Agency's obligation of confidentiality as further described herein, Agency shall be responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (i) ensure the security and confidentiality of the City Data; (ii) protect against any anticipated threats or hazards to the security or integrity of the City Data; (iii) protect against unauthorized disclosure, access to, or use of the City Data; (iv) ensure the proper disposal of City Data; and, (v) ensure that all of Agency's employees, agents, and subcontractors, if any, comply with all of the foregoing. In no case shall the safeguards of Agency's data privacy and information security program be less stringent than the safeguards and standards recommended by the National Institute of Standards and Technology (NIST) Cybersecurity Framework and the Health Information Technology for Economic and Clinical Health Act (HITECH).

#### **1.27 Disaster Recovery.**

Agency must establish a documented plan to protect the security of electronic City Data in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this agreement for more than 24 hours.

#### **1.28 Supervision of Data.**

City Data in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not being observed by an Agency Data User authorized to access the information. City Data in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.

#### **1.29 As Is Access.**

The City provides Agency and each Agency Data User with System(s) access on an "as is" basis with no guarantee as to uptime, accessibility, or usefulness. To the fullest extent permissible by applicable law, the City disclaims all warranties, express or implied, including, without limitation, implied warranties of merchantability, fitness for a particular purpose, title and non-infringement.

**1.30 No Technical or Administrative Support.**

Except as provided herein, the City will provide no technical or administrative support to Agency or Agency Data Users for System(s) access.

**1.31 City Audit of Agency and Agency Data Users.**

The City acting in its sole discretion may audit Agency and Agency Data Users at any time. If an audit reveals an irregularity or security issue, the City may take corrective action including but not limited to termination of such Agency's and/or Agency Data User's access to the System(s) permanently or until the City determines that all irregularities have been satisfactorily cured. Agency and each Agency Data User understands that the City may create and review an audit trail for each Agency Data User, including but not limited to, noting each Agency Data User's ID(s), the patient information accessed, and/or the date accessed. Agency and each Agency Data User understands that any inappropriate access or use of patient information, as determined by the City, may result in the temporary and/or permanent termination of Agency's or such Agency Data User's access to the System(s). Agency remains liable for all inappropriate System(s) access, misuse and/or breach of patient information, whether in electronic or hard-copy form.

**1.32 Minimum Necessary.**

Agency and each Agency Data User shall safeguard the confidentiality of all City Data that is viewed or obtained through the System(s) at all times. Agency and each Agency Data User shall access patient information in the System(s) only to the minimum extent necessary for its assigned duties and shall only disclose such information to persons authorized to receive it, as minimally necessary for treatment, payment and health care operations.

**1.33 No Re-Disclosure or Reporting.**

Agency may not in any way re-disclose SFDPH Data or otherwise prepare reports, summaries, or any other material (in electronic or hard-copy format) regarding or containing City Data for transmission to any other requesting individuals, agencies, or organizations without prior written City approval and where such re-disclosure is otherwise permitted or required by law.

**1.34 Health Information Exchange.**

If Agency is qualified to enroll in a health information exchange, the City encourages Agency to do so in order to facilitate the secure exchange of data between Agency's electronic health record system (EHR) and the City's Epic EHR.

**1.35 Subcontracting.**

Agency may not subcontract any portion of Data Access Agreement, except upon prior written approval of City. If the City approves a subcontract, Agency remains fully responsible for its subcontractor(s) throughout the term and/or after expiration of this Agreement. All Subcontracts must incorporate the terms of this Data Access Agreement. To the extent that any subcontractor would have access to a System, each such subcontractor's access must be limited and subject to the same governing terms to the same extent as Agency's access. In addition, each contract between Agency and that subcontractor must, except as the City otherwise agrees, include a Business Associate Agreement requiring such subcontractor to comply with all regulatory requirements regarding third-party access, and include a provision obligating that subcontractor to (1) defend, indemnify, and hold the City harmless in the event of a data

breach in the same manner in which Agency would be so obligated, (2) provide cyber and technology errors and omissions insurance with limits identified in Article 5, and (3) ensure that such data has been destroyed, returned, and/or protected as provided by HIPAA at the expiration of the subcontract term.

## **Article 2 Indemnity**

### **2.1 Medical Malpractice Indemnification.**

Agency recognizes that the System(s) is a sophisticated tool for use only by trained personnel, and it is not a substitute for competent human intervention and discretionary thinking. Therefore, if providing patient treatment, Agency agrees that it will:

- (a) Read information displayed or transmitted by the System accurately and completely;
- (b) Ensure that Agency Data Users are trained on the use of the System;
- (c) Be responsible for decisions made based on the use of the System;
- (d) Verify the accuracy of all information accessed through the System using applicable standards of good medical practice to no less a degree than if Agency were using paper records;
- (e) Report to the City as soon as reasonably practicable all data errors and suspected problems related to the System that Agency knows or should know could adversely affect patient care;
- (f) Follow industry standard business continuity policies and procedures that will permit Agency to provide patient care in the event of a disaster or the System unavailability;
- (g) Use the System only in accordance with applicable standards of good medical practice.

Agency agrees to indemnify, hold harmless and defend City from any claim by or on behalf of any patient, or by or on behalf of any other third party or person claiming damage by virtue of a familial or financial relationship with such a patient, regardless of the cause, if such claim in any way arises out of or relates to patient care or outcomes based on Agency's or an Agency Data User's System access.

## **Article 3 Proprietary Rights and Data Breach**

### **3.1 Ownership of City Data.**

The Parties agree that as between them, all rights, including all intellectual property rights in and to the City Data and any derivative works of the City Data shall remain the exclusive property of the City.

### **3.2 Data Breach; Loss of City Data.**

The Agency shall notify City immediately by telephone call plus email upon the discovery of a breach (as herein). For purposes of this Section, breaches and security incidents shall be treated as discovered by Agency as of the first day on which such breach or security incident is known to the Agency, or, by exercising reasonable diligence would have been known to the Agency. Agency shall be deemed to have knowledge of a breach if such breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the breach, who is an employee or agent of the Agency.

Agency shall take:

- i. prompt corrective action to mitigate any risks or damages involved with the breach or security incident and to protect the operating environment; and

- ii. any action pertaining to a breach required by applicable federal and state laws.

**3.2.1 Investigation of Breach and Security Incidents:** The Agency shall immediately investigate such breach or security incident. As soon as the information is known and shall inform the City of:

- i. what data elements were involved, and the extent of the data disclosure or access involved in the breach, including, specifically, the number of individuals whose personal information was breached; and
- ii. a description of the unauthorized persons known or reasonably believed to have improperly used the City Data and/or a description of the unauthorized persons known or reasonably believed to have improperly accessed or acquired the City Data, or to whom it is known or reasonably believed to have had the City Data improperly disclosed to them; and
- iii. a description of where the City Data is believed to have been improperly used or disclosed; and
- iv. a description of the probable and proximate causes of the breach or security incident; and
- v. whether any federal or state laws requiring individual notifications of breaches have been triggered.

**3.2.2 Written Report:** Agency shall provide a written report of the investigation to the City as soon as practicable after the discovery of the breach or security incident. The report shall include, but not be limited to, the information specified above, as well as a complete, detailed corrective action plan, including information on measures that were taken to halt and/or contain the breach or security incident, and measures to be taken to prevent the recurrence or further disclosure of data regarding such breach or security incident.

**3.2.3 Notification to Individuals:** If notification to individuals whose information was breached is required under state or federal law, and regardless of whether Agency is considered only a custodian and/or non-owner of the City Data, Agency shall, at its sole expense, and at the sole election of City, either:

- i. make notification to the individuals affected by the breach (including substitute notification), pursuant to the content and timeliness provisions of such applicable state or federal breach notice laws. Agency shall inform the City of the time, manner and content of any such notifications, prior to the transmission of such notifications to the individuals; or
- ii. cooperate with and assist City in its notification (including substitute notification) to the individuals affected by the breach.

**3.2.4 Sample Notification to Individuals:** If notification to individuals is required, and regardless of whether Agency is considered only a custodian and/or non-owner of the City Data, Agency shall, at its sole expense, and at the sole election of City, either:

- i. electronically submit a single sample copy of the security breach notification as required to the state or federal entity and inform the City of the time, manner and content of any such submissions, prior to the transmission of such submissions to the Attorney General; or
- ii. cooperate with and assist City in its submission of a sample copy of the notification to the Attorney General.

### 3.3 **Media Communications**

City shall conduct all media communications related to such Data Breach, unless in its sole discretion, City directs Agency to do so.

**Attachment 1 to Appendix D  
System Specific Requirements**

**I. For Access to SFDPH Epic through Care Link the following terms shall apply:**

**A. SFDPH Care Link Requirements:**

**1. Connectivity.**

- a) Agency must obtain and maintain connectivity and network configuration and required hardware and equipment in accordance with specifications provided by Epic and must update the configuration of all first and third-party software as required. Technical equipment and software specifications for accessing SFDPH Care Link will change over time. Current required browser, system and connection requirements can be found on the Target Platform Roadmap and Target Platform Notes sections of the Epic Galaxy website [galaxy.epic.com](http://galaxy.epic.com). Agency is responsible for all associated costs. Agency shall ensure that Agency Data Users access the System only through equipment owned or leased and maintained by Agency.

**2. Compliance with Epic Terms and Conditions.**

- a) Agency will at all times access and use the System strictly in accordance with the Epic Terms and Conditions. The following Epic Care Link Terms and Conditions are embedded within the SFDPH Care Link application, and each Data User will need to agree to them electronically upon first sign-in before accessing SFDPH Care Link:

**3. Epic-Provided Terms and Conditions**

- a) Some short, basic rules apply to you when you use your EpicCare Link account. Please read them carefully. The Epic customer providing you access to EpicCare Link may require you to accept additional terms, but these are the rules that apply between you and Epic.
- b) Epic is providing you access to EpicCare Link, so that you can do useful things with data from an Epic customer's system. This includes using the information accessed through your account to help facilitate care to patients shared with an Epic customer, tracking your referral data, or otherwise using your account to further your business interests in connection with data from an Epic customer's system. However, you are not permitted to use your access to EpicCare Link to help you or another organization develop software that is similar to EpicCare Link. Additionally, you agree not to share your account information with anyone outside of your organization.

**II. For Access to SFDPH Epic through Epic Hyperspace and Epic Hyperdrive the following terms shall apply:**

**A. SFDPH Epic Hyperspace and Epic Hyperdrive:**

**1. Connectivity.**

- a) Agency must obtain and maintain connectivity and network configuration and required hardware and equipment in accordance with specifications provided by Epic and SFDPH and must update the configuration of all first and third-party software as required. Technical equipment and software specifications for accessing SFDPH Epic Hyperspace will change over time. Epic Hyperdrive is a web-based platform that will replace Epic Hyperspace in the future. You may request a copy of current required browser, system and connection requirements from the SFDPH IT team. Agency is responsible for all



associated costs. Agency shall ensure that Agency Data Users access the System only through equipment owned or leased and maintained by Agency.

**2. Application For Access and Compliance with Epic Terms and Conditions.**

- a) Prior to entering into agreement with SFDPH to access SFDPH Epic Hyperspace or Epic Hyperdrive, Agency must first complete an Application For Access with Epic Systems Corporation of Verona, WI. The Application For Access is found at: <https://userweb.epic.com/Forms/AccessApplication>. Epic Systems Corporation must notify SFDPH, in writing, of Agency's permissions to access SFDPH Epic Hyperspace or Epic Hyperdrive prior to completing this agreement. Agency will at all times access and use the system strictly in accordance with the Epic Terms and Conditions.

**III. For Access to SFDPH myAvatar through WebConnect and VDI the following terms shall apply:**

**A. SFDPH myAvatar via WebConnect and VDI:**

**1. Connectivity.**

- a. Agency must obtain and maintain connectivity and network configuration and required hardware and equipment in accordance with specifications provided by SFDPH and must update the configuration of all first and third-party software as required. Technical equipment and software specifications for accessing SFDPH myAvatar will change over time. You may request a copy of current required browser, system and connection requirements from the SFDPH IT team. Agency is responsible for all associated costs. Agency shall ensure that Agency Data Users access the System only through equipment owned or leased and maintained by Agency.

**2. Information Technology (IT) Support.**

- a. Agency must have qualified and professional IT support who will participate in quarterly CBO Technical Workgroups.

**3. Access Control.**

- a. Access to the BHS Electronic Health Record is granted based on clinical and business requirements in accordance with the Behavioral Health Services EHR Access Control Policy (6.00-06). The Access Control Policy is found at: <https://www.sfdph.org/dph/files/CBHSPolProcMnl/6.00-06.pdf>
- b. Each user is unique and agrees not to share accounts or passwords.
- c. Applicants must complete the myAvatar Account Request Form found at [https://www.sfdph.org/dph/files/CBHSdocs/BHISdocs/UserDoc/Avatar\\_Account\\_Request\\_Form.pdf](https://www.sfdph.org/dph/files/CBHSdocs/BHISdocs/UserDoc/Avatar_Account_Request_Form.pdf)
- d. Applicants must complete the credentialing process in accordance with the DHCS MHSUDS Information Notice #18-019.
- e. Applicants must complete myAvatar Training.
- f. Level of access is based on "Need to Know", job duties and responsibilities.

**Attachment 2 to Appendix D**

**Protected Information Destruction Order  
Purge Certification - Contract ID # 1000027765**

In accordance with section 3.c (Effect of Termination) of the Business Associate Agreement, attached as Appendix E to the Agreement between the City and Contractor and/or 45 CFR § 164.504(e)(2)(ii)(J), the City hereby directs Contractor to destroy all Protected Information that Contractor and its agents and subcontractors (collectively “Contractor”) still maintain in any form. Contractor may retain no copies of destroyed Protected Information.” Destruction must be in accordance with the guidance of the Secretary of the U.S. Department of Health and Human Services (“Secretary”) regarding proper destruction of PHI.


**Electronic Data:** Per the Secretary’s guidance, the City will accept destruction of electronic Protected Information in accordance with the standards enumerated in the NIST SP 800-88, Guidelines for Data Sanitization (“NIST”).

**Hard-Copy Data:** Per the Secretary’s guidance, the City will accept destruction of Protected Information contained in paper records by shredding, burning, pulping, or pulverizing the records so that the Protected Information is rendered unreadable, indecipherable, and otherwise cannot be reconstructed.

\*\*\*\*\*

Contractor hereby certifies that Contractor has destroyed all Protected Information as directed by the City in accordance with the guidance of the Secretary of the U.S. Department of Health and Human Services (“Secretary”) regarding proper destruction of PHI.

**So Certified**

DocuSigned by:  
  
08DE0D1EE0AC4DF...  
Signature

Title: CEO

Date: 02/17/2023 | 11:08 AM PST

**Appendix E**  
**Business Associate Agreement (Reserved)**

## **Appendix F**

Invoices shall be in a form acceptable to the Contract Administrator, contain all requested information, and shall conform to the requirements specified in Section 3.3.4 of the Agreement.

## Appendix G

### Dispute Resolution Procedure For Health and Human Services Nonprofit Contractors 9-06

#### Introduction

The City Nonprofit Contracting Task Force submitted its final report to the Board of Supervisors in June 2003. The report contains thirteen recommendations to streamline the City's contracting and monitoring process with health and human services nonprofits. These recommendations include: (1) consolidate contracts, (2) streamline contract approvals, (3) make timely payment, (4) create review/apellate process, (5) eliminate unnecessary requirements, (6) develop electronic processing, (7) create standardized and simplified forms, (8) establish accounting standards, (9) coordinate joint program monitoring, (10) develop standard monitoring protocols, (11) provide training for personnel, (12) conduct tiered assessments, and (13) fund cost of living increases. The report is available on the Task Force's website at [http://www.sfgov.org/site/npcontractingtf\\_index.asp?id=1270](http://www.sfgov.org/site/npcontractingtf_index.asp?id=1270). The Board adopted the recommendations in February 2004. The Office of Contract Administration created a Review/Appellate Panel ("Panel") to oversee implementation of the report recommendations in January 2005.

The Board of Supervisors strongly recommends that departments establish a Dispute Resolution Procedure to address issues that have not been resolved administratively by other departmental remedies. The Panel has adopted the following procedure for City departments that have professional service grants and contracts with nonprofit health and human service providers. The Panel recommends that departments adopt this procedure as written (modified if necessary to reflect each department's structure and titles) and include it or make a reference to it in the contract. The Panel also recommends that departments distribute the finalized procedure to their nonprofit contractors. Any questions for concerns about this Dispute Resolution Procedure should be addressed to [purchasing@sfgov.org](mailto:purchasing@sfgov.org).

#### Dispute Resolution Procedure

The following Dispute Resolution Procedure provides a process to resolve any disputes or concerns relating to the administration of an awarded professional services grant or contract between the City and County of San Francisco and nonprofit health and human services contractors.

Contractors and City staff should first attempt to come to resolution informally through discussion and negotiation with the designated contact person in the department.

If informal discussion has failed to resolve the problem, contractors and departments should employ the following steps:

- **Step 1** The contractor will submit a written statement of the concern or dispute addressed to the Contract/Program Manager who oversees the agreement in question. The writing should describe the nature of the concern or dispute, i.e., program, reporting, monitoring, budget, compliance or other concern. The Contract/Program Manager will investigate the concern with the appropriate department staff that are involved with the nonprofit agency's program, and will either convene a meeting with the contractor or provide a written response to the contractor within 10 working days.
- **Step 2** Should the dispute or concern remain unresolved after the completion of Step 1, the contractor may request review by the Division or Department Head who supervises the Contract/Program Manager. This request shall be in writing and should describe why the concern is still unresolved and propose a solution that is satisfactory to the contractor. The Division or Department Head will consult with other Department and City staff as appropriate, and will provide a written determination of the resolution to the dispute or concern within 10 working days.
- **Step 3** Should Steps 1 and 2 above not result in a determination of mutual agreement, the contractor may forward the dispute to the Executive Director of the Department or their designee. This dispute shall be in writing and describe both the nature of the dispute or concern and why the steps taken to date are not satisfactory to the contractor. The Department will respond in writing within 10 working days.

## Appendix G

In addition to the above process, contractors have an additional forum available only for disputes that concern implementation of the thirteen policies and procedures recommended by the Nonprofit Contracting Task Force and adopted by the Board of Supervisors. These recommendations are designed to improve and streamline contracting, invoicing and monitoring procedures. For more information about the Task Force's recommendations, see the June 2003 report at [http://www.sfgov.org/site/npcontractingtf\\_index.asp?id=1270](http://www.sfgov.org/site/npcontractingtf_index.asp?id=1270).

The Review/Appellate Panel oversees the implementation of the Task Force report. The Panel is composed of both City and nonprofit representatives. The Panel invites contractors to submit concerns about a department's implementation of the policies and procedures. Contractors can notify the Panel after Step 2. However, the Panel will not review the request until all three steps are exhausted. This review is limited to a concern regarding a department's implementation of the policies and procedures in a manner which does not improve and streamline the contracting process. This review is not intended to resolve substantive disputes under the contract such as change orders, scope, term, etc. The contractor must submit the request in writing to [purchasing@sfgov.org](mailto:purchasing@sfgov.org). This request shall describe both the nature of the concern and why the process to date is not satisfactory to the contractor. Once all steps are exhausted and upon receipt of the written request, the Panel will review and make recommendations regarding any necessary changes to the policies and procedures or to a department's administration of policies and procedures.

## **Appendix H**

### **FEMA CONTRACT REQUIREMENTS**

**1. Contract Requirements.** This contract may be eligible for FEMA funding. FEMA requires inclusion of the following contract provisions for procurement under exigent or emergency circumstances. The Parties must comply with these provisions as a minimum. In the event of a conflict with other provisions in this contract that address the same or a similar requirement, the provisions that are stricter and impose the greater duties upon Contractor shall apply.

**2. Remedies for Breach.** In addition to all other remedies included in this contract, Contractor shall, at a minimum, be liable to the City for all foreseeable damages it incurs as a result of Contractor violation or breach of the terms of this contract. This includes without limitation any costs incurred to remediate defects in Contractor's services and/or the additional expenses to complete Contractor's services beyond the amounts agreed to in this contract, after Contractor has had a reasonable opportunity to remediate and/or complete its services as otherwise set for in this contract. All remedies provided for in this contract may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy.

**3. Termination for Convenience. (Reserved - Contained within Terms and Conditions)**

**4. Termination for Cause. (Reserved - Contained within Terms and Conditions)**

**5. Work Hours and Safety Standards.** If this contract is for a price in excess of \$100,000, and involves the employment of mechanics or laborers, Contractor agrees as follows:

A. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

B. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (A) of this section the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, Contractor and subcontractor(s) shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (A) of this section, in the sum of \$26 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (A) of this section.

C. Withholding for unpaid wages and liquidated damages. The City shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any

liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (B) of this section.

D. **Subcontracts.** The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs (A) through (D) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The Contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (A) through (D) of this section.

E. This Section 5 does not apply to the purchase of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

**6. Rights to Inventions.** If FEMA’s funding for this contract meets the definition of “funding agreement,” and if this contract constitutes a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment, or performance of experimental, developmental, or research work, the City agrees to comply with the requirements of 37 C.F.R. Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements, and any implementing regulations issued by FEMA.

**7. Clean Air Act.** If this contract is for a price in excess of \$150,000, Contractor agrees as follows:

A. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.

B. The Contractor agrees to report each violation to the City and understands and agrees that the City will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

C. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

**8. Federal Water Pollution Act.** If this contract is for a price in excess of \$150,000, Contractor agrees as follows:

A. The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

B. The Contractor agrees to report each violation to the City and understands and agrees that the City will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

C. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

**9. Debarment and Suspension.** If this contract is for a price in excess of \$25,000, Contractor agrees as follows:

A. This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the Contractor is required to verify that none of the Contractor’s principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).



B. The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

C. This certification is a material representation of fact relied upon by the City. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the City, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

D. The Contractor agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The Contractor further agrees to include a provision requiring such compliance in its lower tier covered transactions.

**10. Procurement of Recovered Materials**

A. In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired:

- i. Competitively within a timeframe providing for compliance with the contract performance schedule;
- ii. Meeting contract performance requirements; or
- iii. At a reasonable price.

B. Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

C. The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.”

**11. Time and Material Contracts.** To the extent this contract includes work that is paid on a time and material basis, such work must have a guaranteed maximum price (GMP). The GMP is set forth in the body of this contract. The GMP constitutes a ceiling price that Contractor exceeds at its own risk.

**12. MBE/WBE Outreach.** Contractor must, at a minimum, take the following affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used as Subcontractors on this Project:

A. Place qualified small and minority businesses and women's business enterprises on Contractor's solicitation list for this Project;

B. Assure that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources for this Project;

C. Divide the subcontracts, when feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

D. Establish delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and

E. Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

**13. Access to Records.** The following access to records requirements apply to this contract:

A. The Contractor agrees to provide City, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.

B. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

C. The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.

D. In compliance with the Disaster Recovery Act of 2018, the City and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

**14. Department of Homeland Security Seal, Logo, and Flags.** The Contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

**15. Compliance with Federal Law, Regulations, and Executive Orders.** This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The Contractor will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives.

**16. No Obligation by Federal Government.** The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, Contractor, or any other party pertaining to any matter resulting from the contract.

**17. Program Fraud and False or Fraudulent Statements or Related Acts.** The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this contract.

**18. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment** (*applicable to all contracts and subcontracts; 2 CFR §200 Appendix II(l) and 2 CFR 200.216*)

A. Contractor is prohibited from obligating funds from this Agreement to:

- (1) Procure or obtain;
- (2) Extend or renew a contract to procure or obtain; or
- (3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications

equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

(i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(ii) Telecommunications or video surveillance services provided by such entities or using such equipment.

(iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

B. In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.

C. See Public Law 115-232, section 889 for additional information.

**19. Domestic Preferences for Procurements** (*applicable to all contracts and subcontracts; 2 CFR §200 Appendix II(1) and 2 CFR 200.322*)

As appropriate and to the extent consistent with law, Contractor should, to the greatest extent practicable under this Agreement, use a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). For purposes of this section:

A. “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

B. “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

**20. Byrd Anti-Lobbying Certification.**

A. Contractors who apply or bid for an award of \$100,000 or more shall file the required certification pursuant to the Byrd Anti-Lobbying Amendment, 31 U.S.C. §1352, as amended. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any

Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

B. If this contract is for a price of \$100,000 or more, Contractor, and its lower tiers, must sign and submit to the City the following certification:

**APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING**

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:


(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, **Chinese Hospital Association** certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

  
Signature of Contractor's Authorized Official

Jian Zhang  
CEO  
Name and Title of Contractor's Authorized Official

02/17/2023 | 11:08 AM PST  
Date



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 231152

Bid/RFP #:

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
Office of the Clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Reanna Albert	628-271-6178
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
DPH Department of Public Health	reanna.albert@sfdph.org

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Chinese Hospital Association	<b>TELEPHONE NUMBER</b> 415-677-2496
<b>STREET ADDRESS (including City, State and Zip Code)</b> 845 Jackson Street, San Francisco, CA 94133	<b>EMAIL</b> michaelc@chasf.org

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b>	<b>FILE NUMBER (If applicable)</b> 231152
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Not to exceed \$20,638,800		
<b>NATURE OF THE CONTRACT (Please describe)</b> Surge bed capacity for subacute skilled nursing and skilled nursing.		

7. COMMENTS
Description of amount reflects amendments made in Committee - 11/29/2023

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
<input checked="" type="checkbox"/>	<b>A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES</b> Board of Supervisors
<input type="checkbox"/>	<b>THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS</b>

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Zhang	Jian	CEO
2	Chung	Michael	CFO
3	Leung	Clifton	Board of Directors
4	Louie	Harvey	Board of Directors
5	Ng	Thomas	Board of Directors
6	Yee	Kin	Board of Directors
7	Fong	Glenn	Board of Directors
8	Tsukerman	Misha	Board of Directors
9	Wong	Robert	Board of Directors
10	Chow	Charles	Board of Directors
11	Eng	Roger	Board of Directors
12	Luu	Donald	Board of Directors
13	Yuen	Thomas	Board of Directors
14	Lee	Ding	Board of Directors
15	Wong	Lawrence	Board of Directors
16	Sit	Jack	Board of Directors
17	Lai	Charles	Board of Directors
18	Chen	Di An	Board of Directors
19			

**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Incomplete - Pending Signature



**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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50			

Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



City and County of San Francisco  
London N. Breed, Mayor

## San Francisco Department of Public Health

Grant Colfax, MD  
Director of Health

November 6, 2023

Angela Calvillo, Clerk of the Board  
Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4689

Dear Ms. Calvillo:

Please find attached a proposed resolution for Board of Supervisors approval of an amendment to the agreement between the Department of Public Health and Chinese Hospital Association in the amount not to exceed \$18,851,840.

This contract agreement requires Board of Supervisors approval under San Francisco Charter Section 9.118.

The following is a list of accompanying documents:

- Proposed Resolution
- Proposed Amendment 1
- Original Agreement
- Form SFEC-126f(4)

For questions on this matter, please contact me at (415) 255-3492, [kelly.hiramoto@sfdph.org](mailto:kelly.hiramoto@sfdph.org).

Thank you for your time and consideration.

Sincerely,

*Kelly Hiramoto*

Kelly Hiramoto  
Acting Supervisor  
Office of Contracts Management and Compliance  
DPH Business Office

cc: Dr. Grant Colfax, Director of Health  
Greg Wagner, Chief Operating Officer  
Michelle Ruggels, Director, DPH Business Office  
Robert Longhitano, Director, DPH Contracts & Compliance

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**The mission of the San Francisco Department of Public Health is to protect and promote the health of all San Franciscans.**

We shall ~ Assess and research the health of the community ~ Develop and enforce health policy ~ Prevent disease and injury ~

~ Educate the public and train health care providers ~ Provide quality, comprehensive, culturally proficient health services ~ Ensure equal access to all ~

[kellyhiramoto@SFDPH.org](mailto:kellyhiramoto@SFDPH.org) – office 415-255-3492 – fax 415 252-3088

1380 Howard Street, Room 419B, San Francisco, CA 94103

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**From:** [Hiramoto, Kelly \(DPH\)](#)  
**To:** [Calvillo, Angela \(BOS\)](#); [BOS Legislation, \(BOS\)](#)  
**Cc:** [Colfax, Grant \(DPH\)](#); [Wagner, Greg \(DPH\)](#); [Ruggels, Michelle \(DPH\)](#); [Longhitano, Robert \(DPH\)](#); [Albert, Reanna \(DPH\)](#); [Validzic, Ana \(DPH\)](#); [Neukrug, Sarah \(DPH\)](#); [Altman, Claire \(DPH\)](#); [Lee, Michele \(DPH\)](#); [Coggan, Patty \(DPH\)](#)  
**Subject:** Contract Agreement - Chinese Hospital Association - Subacute Skilled Nursing and Skilled Nursing Facility Beds - Not to Exceed \$18,851,840  
**Date:** Monday, November 6, 2023 9:25:21 AM  
**Attachments:** [0. Chinese Hospital DPH Cover Letter.pdf](#)  
[1. Chinese Hospital Proposed Resolution Amd 1.pdf](#)  
[2. Chinese Hospital Proposed Resolution Amd 1.docx](#)  
[3. Chinese Hospital Proposed Amd 1.pdf](#)  
[4. Chinese Hospital Original Agreement.pdf](#)  
[5. Chinese Hospital SFEC Form 126 f4.pdf](#)

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The following is a list of accompanying documents:

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- o Form SFEC-126f(4)

Thank you for your time and consideration.

*Kelly*

Kelly Hiramoto, LCSW  
Acting PSC Coordinator  
SF Department of Public Health Business Office  
Special Projects Manager  
SF Department of Public Health

*This message and any attachments are solely for the intended recipient and may contain confidential or privileged information. If you are not the intended recipient, any disclosure, copying, use or distribution of the information included in this message and any attachments is prohibited. If you have received this communication in error, please notify me by reply e-mail and immediately and permanently delete this message and any attachments. Thank you.*