0150-09168-0004

TRANSMITTAL

TO	DATE	COUNCIL FILE NO.
The Council	08/29/2022	--
FROM		**COUNCIL DISTRICT**
The Mayor		All

Proposed Third Amendment to Contract No. C-118005 between the Los Angeles Fire Department and Advanced Data Processing, Inc. to provide emergency medical services billing and collection services

Approved and transmitted for your consideration.
See the City Administrative Officer report attached.

MAYOR
(Andre Herndon for)

MWS:LLE:04230018t

CAO 649-d

Report From
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Analysis of Proposed Contract

($25,000 or Greater and Longer than Three Months)

To: The Mayor	Date: 08-25-22	C.D. No. --	CAO File No.: 0150-09168-0004
Contracting Department/Bureau: Los Angeles Fire Department		Contact: Cyndi Del Poso (213) 978-3746	
Reference: Transmittal from the Board of Fire Commissioners dated August 16, 2022; referred for report by the Mayor on August 17, 2022.			
Purpose of Contract: To provide emergency medical billing and collection services.			
Type of Contract: ( ) New contract (X) Amendment, Contract No. [C-118005]	Contract Term Dates: October 22, 2022 through October 21, 2025; Three three-year renewal options remain		
Contract/Amendment Amount: Contractor Base Fee of 5.1 percent of net revenue collections Proposed amount $14.60M + Prior award(s) $42.17M = Total $56.77M			
Source of funds: Fire Department Contractual Services Account No. 003040			
Name of Contractor: Advanced Data Processing, Inc., a subsidiary of Digitech Computer, LLC Address: 480 Bedford Road, Bldg 600, 2nd Floor, Chappaqua NY, 10514			

	Yes	No	N/A	Contractor has complied with:	Yes	No	N/A
1. Council has approved the purpose	X			8. Business Inclusion Program			X
2. Appropriated funds are available	X			9. Equal Benefits & First Source Hiring Ordinances	X		
3. Charter Section 1022 findings completed	X			10. Contractor Responsibility Ordinance	X		
4. Proposals have been requested	X			11. Disclosure Ordinances	X		
5. Risk Management review completed	X			12. Bidder Certification CEC Form 50	X		
6. Standard Provisions for City Contracts included	X			13. Prohibited Contributors (Bidders) CEC Form 55	X		
7. Workforce that resides in the City: 1 %				14. California Iran Contracting Act of 2010	X		

RECOMMENDATIONS

That the Council authorize the Fire Chief, or designee, to:

1. Execute the Third Amendment to Contract No. C-118005 between the Los Angeles Fire Department and Advanced Data Processing, Inc., for emergency medical billing and collection services for a three-year term beginning on October 22, 2022 through October 21, 2025; and,

2. Execute amendments for any modifications, additions, or exclusions during the term of this Amendment.

SUMMARY

At its meeting on August 16, 2022, the Board of Fire Commissioners approved the proposed Third Amendment to Contract No. C-118005 between the Los Angeles Fire Department (LAFD) and Advanced Data Processing, Inc., (Contractor) to provide emergency medical services (EMS) billing and collection services. The proposed Amendment will extend the term by three years from October 22, 2022 through October 21, 2025 and increase the total compensation by approximately $14.60 million from $42.17 million to $56.77 million. Authority provided under Recommendation No. 2 was requested by the Department, given that the business name of the Contractor is anticipated to change during the

Lindsey L. Estes			
LLE	Analyst	04230018	City Administrative Officer

term of the Third Amendment, thereby providing the Department with the ability to accommodate this change in a timely manner.

Under the terms of the proposed Amendment, the Contractor will provide billing and collection services for patients that received EMS treatment by the LAFD. Services include billing software that integrates with the City's Financial Management System, and hardware, maintenance, and support. The Contractor shall process all patient accounts, establish and maintain auditable billing, and work with patients to establish payment plans. In accordance with Exhibit B - Fee Schedule, the Base Fee for the proposed Amendment shall be 5.1 percent of net collections. Funding for the Contractor's Base Fee is available within the LAFD's 2022-23 Contractual Services Account, Ambulance Transportation Billing Collection line item.

On August 22, 2007, the LAFD released a Request for Proposals for the implementation of a Field Data Capture System (FDCS) that integrated with the EMS System and provided a full range of billing and collection system functionality. The system had to provide for the creation of a complete Electronic Patient Care Report (ePCR) that collects data and transmits patient information to a secure server. The electronic system was necessary to comply with the Federal Health Insurance Portability and Accountability Act of 1996 (HIPAA). The Contractor was selected out of the two proposals received based on experience, qualifications, business solutions, technical solutions, project approach, and overall cost. The FDCS and ePCR systems have now been fully automated and successfully implemented.

On October 22, 2010, the LAFD entered into the initial agreement with the Contractor for six years expiring on October 21, 2016, with six three-year renewal options. The agreement provides the Contractor with compensation based on a percent of the net collections received. The Base Fee received by the Contractor ranged from 5.0 percent to 5.3 percent for the initial six years, which resulted in approximately $19.96 million.

On October 24, 2016, the LAFD executed the first of six renewal options in the form of a First Amendment to extend the term for three additional years through October 21, 2019. Beginning January 1, 2017, the Base Fee noted in the agreement is 5.1 percent of net collections and was estimated to be $11.5 million. This increased the total compensation from $19.96 million to $31.46 million.

On June 12, 2020, the LAFD executed the second of six renewal options with the Second Amendment to extend the term for three additional years through October 21, 2022. The Base Fee noted in the agreement remained as 5.1 percent of net collections and was estimated to be $10.71 million, which increased the total compensation from $31.46 million to $42.17 million.

The Department now seeks to execute the Third Amendment to the agreement, which extends the term from October 22, 2022 through October 21, 2025.

In accordance with Charter Section 1022, the Personnel Department determined that although the work proposed to be contracted can be performed by City employees, the technology that would be utilized is proprietary in nature and limited to only the Contractor. Therefore, a 1022 Determination is not required. City employees can and will continue to perform a portion of the billing and collections work. In October 2009, this Office determined that the work proposed can be performed more feasibly by a contactor than by City employees based on the proprietary technology required by the City. A Notice of Intent to Contract was submitted to the Employee Relations Division on November 10, 2021.

In accordance with Los Angeles Administrative Code Section 10.5, Council approval is required because the term of the proposed agreement exceeds three years. To the best of our knowledge, the Contractor has complied with all standard provisions for City contracts, as well as City contracting requirements.

FISCAL IMPACT STATEMENT

There is no additional impact to the General Fund as a result of the recommendations in this report. Advanced Data Processing, Inc. (Contractor) will receive a Base Fee of 5.1 percent of the net collections. The Los Angeles Fire Department (LAFD) estimates the FY 2022-23 annual revenue to be $95.4 million for ambulance transport billing. Receipts will be deposited into Revenue Source Code 4451 Emergency Ambulance Services. The Contractor's base fee is estimated to be $4.87 million annually or $14.60 million over the three-year term. Funding for the Contractor Base Fee is provided within the LAFDs 2022-23 Contractual Services Account.

FINANCIAL POLICIES STATEMENT

The recommendations stated in this report are in compliance with the City's Financial Policies in that current operations will be funded by current revenues.

MWS:LLE:04230018

Attachment

LOS ANGELES FIRE COMMISSION

BOARD OF
FIRE COMMISSIONERS

JIMMIE WOODS-GRAY
PRESIDENT

JIMMY H. HARA, M.D.
VICE PRESIDENT

CORINNE TAPIA BABCOCK
ROY HARVEY
DELIA IBARRA

LETICIA GOMEZ
COMMISSION EXECUTIVE ASSISTANT II

ERIC GARCETTI
Mayor

SUE STENGEL
INDEPENDENT ASSESSOR

EXECUTIVE OFFICE
200 NORTH MAIN STREET, SUITE 1840
LOS ANGELES, CA 90012

(213) 978-3838 PHONE
(213) 978-3814 FAX

August 16, 2022

Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall
Attn: Legislative Coordinator

[BFC 22-069] – RESTATEMENT AND THIRD AMENDMENT TO AGREEMENT C-118005 WITH ADVANCED DATA PROCESSING, INC. FOR EMERGENCY MEDICAL SERVICES SYSTEM (EMSS)

At its meeting of August 16, 2022, the Board of Fire Commissioners approved the report and its recommendations. The report is hereby transmitted to the Mayor for consideration and approval.

Should you need additional information, please contact the Board of Fire Commissioners' office at 213-978-3838.

Sincerely,

Leticia Gomez
Commission Executive Assistant II

Attachment

cc: Fire Chief Kristin M. Crowley (via email)

August 16, 2022

LOS ANGELES FIRE DEPARTMENT

APPROVED: 8/16/2022
BOARD OF FIRE COMMISSIONERS
BY:
COMMISSION EXECUTIVE ASSISTANT

KRISTIN M. CROWLEY
FIRE CHIEF

July 7, 2022

BOARD OF FIRE COMMISSIONERS
FILE NO. 22-069

TO: Board of Fire Commissioners

FROM: Kristin M. Crowley, Fire Chief

SUBJECT: RESTATEMENT AND THIRD AMENDMENT TO AGREEMENT C-118005 WITH ADVANCED DATA PROCESSING, INC. (A SUBSIDIARY OF DIGITECH COMPUTER LLC) FOR EMERGENCY MEDICAL SERVICES SYSTEM (EMSS)

FINAL ACTION:			
	X Approved	_____ Approved w/Corrections	_____ Withdrawn
	_____ Denied	_____ Received & Filed	_____ Other

SUMMARY

On October 22, 2010, the Los Angeles Fire Department (LAFD) entered into Agreement C-118005 with Advanced Data Processing, Inc., a subsidiary of Digitech Computer LLC (ADPI), for an Emergency Medical Services System (EMSS). ADPI's EMSS, a computerized emergency medical services billing and collection system, streamlines the billing and accounts receivable process and provides for the tracking and reporting of each phase of the ambulance billing and collections process. The Agreement provided for a six-year term from October 22, 2010 through October 21, 2016 with up to six additional three-year renewal options.

On October 24, 2016, the LAFD entered into a Restatement and First Amendment to Agreement C-118005, exercising the first three-year renewal option, and extended the contract term through October 21, 2019.

On June 12, 2020, the LAFD entered into a Restatement and Second Amendment to Agreement C-118005, exercising the second three-year renewal option, and extended the contract term through October 21, 2022.

As a result of the EMSS, the LAFD has seen improved efficiencies in the Department's ambulance billing and collections process, improved tracking and statistical reporting, enhanced customer service, and increased revenues. The average annual Emergency Medical Services revenue for the past five (5) fiscal years from FY 2018-19 through FY 2021-22 is $76.5 million.

The LAFD proposes to exercise the third three-year renewal option to extend the term of Agreement C-118005 through October 21, 2025. ADPI's compensation is based on a

fee of 5.1% of net revenue collections. The net Emergency Medical Services collection revenue is estimated at $85 million in FY 2022-23.

The Restatement and Third Amendment has been reviewed and approved by the City Attorney as to legal form. Pursuant to Los Angeles City Charter Section 373, approval by the City Council is required.

RECOMMENDATIONS

That the Board:

1. Approve and authorize the Fire Chief to execute the Restatement and Third Amendment to Agreement C-118005 to extend the term for an additional three years through October 22, 2025 for EMSS billing and collections services.

2. Authorize the Fire Chief to have sole discretion to execute amendments regarding any modifications, additions or exclusions during the three (3) year term of the Agreement.

3. Transmit the Agreement to the Office of the Mayor for review and approval, in accordance with Executive Directive No. 3.

FISCAL IMPACT

Funding for the net collections fee in the amount of $4 million for the Restatement and Third Amendment to Agreement C-118005 for EMSS billing and collections services is included in the FY 2022-23 Contractual Services Account 3040.

Board Report prepared by Muriel Gee, Sr. Management Analyst II, Administrative Services Bureau.

Attachment

RESTATEMENT AND THIRD AMENDMENT TO AGREEMENT NUMBER C-118005
BETWEEN
THE CITY OF LOS ANGELES AND
ADVANCED DATA PROCESSING, INC. (a subsidiary of Digitech Computer LLC)
FOR EMERGENCY MEDICAL SERVICES SYSTEM (EMSS)

THIS RESTATEMENT AND THIRD AMENDMENT (hereinafter referred to as the "Agreement") is made and entered into by and between the City of Los Angeles, a municipal corporation (hereinafter referred to as the "CITY"), acting by and through the Los Angeles Fire Department (hereinafter referred to as the "LAFD"), and Advanced Data Processing, Inc. (a subsidiary of Digitech Computer LLC), a Delaware corporation (hereinafter referred to as the "CONTRACTOR"), effective 10/22/2010 (C.F. 10-1078), with reference to the following:

WHEREAS, automating the emergency medical services billing and collections function and providing for certified medical billing specialists will generate significantly more revenue for the CITY than the current system and facilitate compliance with Federal and State privacy laws; and

WHEREAS, the CITY Council directed the LAFD to issue a Request for Proposals (hereinafter referred to as “RFP”) to automate and outsource emergency medical service billing and collections services (C.F. 03-0814); and

WHEREAS, on August 22, 2007, the CITY issued an RFP in accordance with Section 372 of the City Charter, seeking qualified proposals and found CONTRACTOR's response to satisfy the level of qualifications and experience necessary to provide the type and level of service required by the CITY; and

WHEREAS, the CITY performed its Charter Section 1022 review and determined that the information technology portion of the work is proprietary to the CONTRACTOR and that the software installation, maintenance and service must be performed by CONTRACTOR's staff; and

WHEREAS, the CITY currently performs emergency medical services billing and collections; however, the work can be performed more economically by the CONTRACTOR because its services are automated to the extent possible and performed by certified specialists; and

WHEREAS, the work to be performed is expert and technical in nature; and

WHEREAS, the parties wish to enter into an Agreement pursuant to which the CONTRACTOR will perform emergency medical services billing and collections for the LAFD; and

WHEREAS, on August 3, 2010, the City Council (C.F.10-1078) authorized the Fire Chief to execute Agreement C-118005 with CONTRACTOR for a term commencing on October 22, 2010 through October 21, 2016, with up to six (6) additional three-year extensions; and

WHEREAS, on October 24, 2016, the parties entered into a Restatement and First Amendment to Agreement No. C-118005, to execute the first renewal option and extend the term to October 21, 2019, increase the total maximum compensation amount to an estimated $31.46 million, restate the continuing terms, and incorporate necessary amendments; and

WHEREAS, on June 12, 2020, the parties entered into a Restatement and Second Amendment to Agreement C-118005, to exercise the second renewal option, and extend the term to October 21, 2022; and

WHEREAS, the parties now desire in this Restatement and Third Amendment to exercise the third of the six (6) three-year extensions to extend the term of Agreement No. C-118005 through October 21, 2025.

NOW THEREFORE, in consideration of the premises, representations, covenants and Agreements set forth herein, the parties represent, covenant and agree as follows:

1.0 GLOSSARY OF TERMS

CONTRACTOR's Billing System means the Software and all services required to perform this Agreement.

Documentation means:

a. Evidential or reference documents: documents provided or collected together as evidence or as reference material.

b. Process of providing written information: the process of providing written details or information about something.

c. Computer software information: the instructions, tutorials, and reference information provided to explain how to install and use software or a computer system.

EMS means emergency medical service.

FMIS means Financial Management Information System. The CITY's current Electronic Comprehensive Financial Management System.

FMS means The CITY's future Electronic Comprehensive Financial Management System, which the CITY expects to implement on July 1, 2011.

Fee Ordinances means Los Angeles Administrative Code Sections 5.181 and 22.210.2, as amended from time to time and any such other ordinances relating to fees that may be adopted during the term of the Agreement.

HCPCS means Healthcare Common Procedure Coding System, which are the numeric and alpha-numeric code sets to identify medical services, procedures and equipment used by Medicare and monitored by the Centers for Medicare and Medicaid Services (“CMS”). They are based on the Current Procedural Technology codes (“CPT Codes”) maintained by the American Medical Association, and are assigned to every task and service a medical practitioner may provide to a Medicare patient including medical, surgical, and diagnostic services.

Litigation Account means any account that has been identified as being involved in litigation.

Project Implementation means the presentation of a fully operational, fully hosted EMS billing system for the LAFD using CONTRACTOR’s Software.

Project Plan means the document which identifies objectives and tasks to be completed during the transition from the LAFD's current EMS billing system to the CONTRACTOR's Billing System. The Project Plan shall provide a detailed description of key deliverables with timing projections, including a detailed task breakdown. The task breakdown shall include the following details for each identified task: assumptions, prerequisites, responsibilities for each of the parties, key staff involvement for each of the parties, start/stop dates, milestones, and estimated work hours.

Procedures Manual means a document that defines the operations and procedures guidelines established through collaborative efforts of the CONTRACTOR and the LAFD to effectively manage the terms and conditions of this Agreement.

Software means the Intermedix billing IMX software or billing system, or other ambulance billing software of equal or better functionality that is acceptable to the LAFD.

Users shall mean: (i) any employees of CITY and (ii) any medical professional who is authorized to perform medical services for CITY in the area in which CITY operates its emergency medical services as of the Agreement Amendment Effective Date.

2.0 PARTIES TO THE AGREEMENT AND REPRESENTATIVES

2.1 Parties to the Agreement

The parties to this Agreement are:

a. The CITY, by and through the LAFD, having its principal office at 200 North Main Street, 18th Floor, Los Angeles, California 90012.

b. CONTRACTOR, having its principal address at 580 Bedford Road, Bldg. 600, 2nd Floor, Chappaqua, New York 10514.

2.2 Representatives of the Parties

The representatives of the parties who are authorized to administer this Agreement and to whom formal notices, demands and communications will be given are as follows:

a. The CITY's representative is, unless otherwise stated in the Agreement:

Kristin M. Crowley, Fire Chief
Los Angeles Fire Department
200 North Main Street, Room 1800
Los Angeles, California 90012
Tel: (213) 978-3838
Fax: (213) 978-3814

And:

S. Jenny Park, Fire Administrator
Los Angeles Fire Department

Bureau of Administrative Services
200 North Main Street, Room 1630
Los Angeles, California 90012
Tel: (213) 978-3731
Fax: (213) 978-3414

b. The CONTRACTOR's representative is, unless otherwise stated in the Agreement:

Mark Schiowitz, President & Chief Executive Officer
Advanced Data Processing, Inc. c/o Digitech Computer LLC
480 Bedford Road, Bldg. 600, 2nd Floor
Chappaqua, New York 10514
Tel: (914) 741-1919
Fax: (914) 741-2818

With a copy to:

Michael Brook, Senior Vice President
Advanced Data Processing, Inc. c/o Digitech Computer LLC
5820 Stoneridge Mall Road, Suite 117
Pleasanton, California 94588
Tel: (510) 904-5713

2.3 Notices

a. Formal notices, demands and communications to be given hereunder by either party must be made in writing and may be effected by personal delivery or by mail, postage prepaid, return receipt requested and will be deemed communicated upon the earlier of the date of receipt or five days after mailing; and

b. If the name or address of the person designated to receive the notices, demands or communications is changed, written notice will be given in accordance with this Section, within five (5) working days of said change; and

c. Informal notifications and general business related communications shall be made via email or by telephone as provided in the Procedures Manual.

3.0 TERM OF AGREEMENT

The term of this Agreement commenced on October 22, 2010 and shall end on October 21, 2025, unless terminated earlier as provided herein. By mutual agreement between CITY and CONTRACTOR, the CITY, at its sole discretion, may exercise three (3) additional options to extend the term of this Agreement in three (3) year increments.
Where services may have been required to be continued on an on-going basis prior to execution of this Third Amendment, and where those services are consistent with the terms and conditions of the Agreement, those services are hereby ratified.

4.0 PROCEDURES MANUAL

The Parties shall develop and maintain a Procedures Manual, which may be amended by the Parties as needed, governing the manner in which the Parties will conduct daily business. Either Party's failure to comply with practices established in such Manual may be deemed to be a material breach of the Agreement. The cure period shall be thirty (30) days but otherwise subject to the provisions in Section 15.2 Termination for Breach of Agreement of this Agreement. The Parties agree to review and consider updates to the procedure manual on a quarterly basis.

5.0 WEB HOSTING LICENSE

5.1 License

CONTRACTOR grants to CITY a limited, non-exclusive and non-transferable license: (i) to access and use the CONTRACTOR's proprietary software (“Software”) in executable code format via Internet connection to CONTRACTOR's hosting facility solely in support of the billing and collections with respect to the CITY's EMS services; and (ii) to use any associated end-user Documentation provided by CONTRACTOR ("Documentation") in support of CITY's authorized use of the Software. Except as expressly permitted herein, no express or implied license is granted to CITY to use, receive, reproduce, copy, market, sell, distribute, license, sublicense, lease, timeshare, or rent the Software or any component thereof. No modification of, or preparation of derivative works based on the Software or Documentation is permitted. CITY shall not disassemble, decompile, decrypt or reverse engineer the Software or in any way attempt to discover or reproduce source code for the Software, or any portion thereof. CITY shall not develop or license any third party programs, applications, tools or other products which interface or interact with the Software without the prior written consent of CONTRACTOR. CITY agrees not to remove the copyright, trade secret or other proprietary protection legends or notices which appear on or in the Software. The Software may incorporate software under license from a third party. If the third party requires CITY's notification of such use through an End User License Agreement ("EULA"), CONTRACTOR will provide such notification to CITY. In order to use the Software, CITY agrees to be bound by all EULA(s) provided at the time of delivery whether by hardcopy or displayed upon installation or use of the Software. CITY's use of the Software subsequent to such notice(s) shall constitute CITY's acceptance of the EULA(s).

5.2 Service disruption caused by CITY

CONTRACTOR shall not be liable for service outages caused by direct CITY actions.

5.3. Intellectual Property

CITY agrees that the equipment, computer hardware and software, billing and collections processing, the services, Billing System and other related systems and equipment are the property and trade secrets of CONTRACTOR, and that CITY will not release any information regarding such Confidential Information, as such term is defined in Section 13.1 (a) Confidentiality, and/or trade secrets of CONTRACTOR

to any third party without the prior written consent of CONTRACTOR. CITY further agrees that, in connection with the use of certain data entry devices, CITY may gain access to the intellectual property of third parties. CITY understands and agrees that it may be required to enter into agreements with respect to such intellectual property in order to use such equipment. CITY agrees to enter into such arrangements at CONTRACTOR's request.

6.0 SERVICES TO BE PROVIDED

Upon execution of this Agreement the CONTRACTOR shall provide the goods and services as required under this Agreement.

6.1 Transition

a. CONTRACTOR and the LAFD agree that they shall fully cooperate with each other in transitioning EMS billing services from the LAFD to CONTRACTOR. Subject to CONTRACTOR's approval, the LAFD may transfer uncollected patient accounts, created prior to the commencement of this Agreement, to CONTRACTOR. CONTRACTOR agrees to create accounts for patients, treated before the effective date of this Agreement, for whom no accounts have been created. CONTRACTOR agrees to create all accounts for patients treated on the effective date of this Agreement and thereafter. CONTRACTOR agrees to accept the LAFD's patient and other data relating to transition accounts in any format. All accounts transitioned or created subject to this provision shall be processed consistently with the terms of this Agreement;

b. The LAFD will provide CONTRACTOR with information relating to the transitioned accounts adequately to enable CONTRACTOR's proper coding, billing, or collection of the transitioned accounts in accordance with CONTRACTOR's obligations under this Agreement. To the extent such information is inadequate; CONTRACTOR agrees to exert commercially reasonable efforts to perform the services with respect to the transitioned accounts.

6.2 Project Plan

a. Within the first fourteen (14) days of this Agreement, CONTRACTOR shall conduct a complete review of the LAFD's billing practices, which shall consist of on-site visits and data evaluation to aid in development of the Project Plan;

b. Within fifteen (15) days of the effective date of the Agreement, CONTRACTOR shall conduct a planning meeting with the LAFD's Project Manager regarding elements of the Project Plan; and

c. Within thirty (30) days of the effective date of the Agreement, CONTRACTOR, working with the LAFD'S Project Manager, shall deliver a draft Project Plan to the LAFD; and

d. Within fifteen (15) days of receipt of the draft Project Plan, the LAFD shall provide comments and instructions to CONTRACTOR; and

e. CONTRACTOR shall provide a Final Project Plan within fifteen (15) days of receiving the LAFD's comments.

6.3 Support

a. CONTRACTOR's Billing System for the LAFD

1. CONTRACTOR shall provide to the LAFD on-going support, maintenance, and upgrades of the CONTRACTOR's Billing System and hardware, including Documentation and/or training when substantial changes occur in CONTRACTOR's Billing System; and

2. Issues resulting in a work stoppage or that are otherwise deemed critical will receive an immediate response and resolution. Non-critical issues will be prioritized and resolved according to the priority level and time of submission. After hours, CONTRACTOR's holidays, and weekend support shall be provided; and

3. CONTRACTOR shall provide a full-time individual for on-site support, at the LAFD's designated location; and

4. CONTRACTOR shall meet, monthly or as necessary, with the LAFD at its offices or through technology aided meetings at the discretion of the LAFD.

b. Support for Patients

CONTRACTOR shall operate a call center providing email and telephone support between 7:00 a.m. and 5:00 p.m. Pacific Standard Time, Monday through Friday (CONTRACTOR's holidays excluded). CONTRACTOR will provide voicemail services after the close of business and respond to inquiries within one (1) business day.

6.4 Integration

a. At its expense, CONTRACTOR shall integrate its Billing System with applicable CITY systems in a manner that provides regular information updates, within a reasonable period of time as agreed by the parties. The CITY shall provide its required specifications governing all applicable integrations in the Procedures Manual. In the event that the CITY implements new systems, the CONTRACTOR agrees to work with the CITY to integrate its Billing System with the CITY’s new system(s) within a reasonable period of time as agreed by the Parties; and

b. At its expense, CONTRACTOR shall integrate its Software with applicable CITY systems in a manner that provides regular information updates, within a reasonable period of time as agreed by the parties. The CITY shall provide its

required specifications governing all applicable Software integrations in the Procedures Manual. In the event that the CITY implements new systems, the CONTRACTOR agrees to work with the CITY to integrate its Software with the CITY's new system(s) within a reasonable period of time as agreed by the Parties; and

c. At its expense, CONTRACTOR shall integrate its Billing System with other relational database systems the CITY requests, assuming the requirements do not place undue burden on the CONTRACTOR. The parties shall negotiate cost sharing to finance this task, if the CONTRACTOR provides evidence that CITY requirements create an undue burden; and

d. Integration shall be achieved when all CITY systems are fully compatible with CONTRACTOR's Billing System, all necessary data transmission pathways are fully operational, and when all data transmissions conform with the CITY's security standards. CONTRACTOR shall acquire any reasonable software licenses required for access to or integration with any CITY systems; and

e. CONTRACTOR understands that in order to perform the work required under this Agreement, CONTRACTOR must work cooperatively with ImageTrend, Inc., the CITY's field data capture and Protected Health Information ("PHI") transmission contractor. CONTRACTOR agrees to work cooperatively with ImageTrend, Inc. and all other CITY contractors in the performance of the Agreement.

6.5 Eligibility/Data Capture

a. CONTRACTOR shall use reasonable efforts to obtain missing, and correct erroneous patient demographic and insurance information provided by the LAFD; and

b. CONTRACTOR shall maintain a complete record of patient account activity, including all communications; and

c. CONTRACTOR shall establish arrangements with hospitals or hospital associations to obtain patient demographic and insurance eligibility information where possible. If hospitals refuse to share information, CONTRACTOR shall notify the LAFD.

6.6 Billing and Collection of Payments

a. CONTRACTOR shall process all patient accounts using the Software, except as otherwise agreed in writing by the LAFD. The Software shall generate electronic claims in the format required by major payers, and shall be capable of being updated regularly to facilitate capture of the most current HCPCS; and

b. CONTRACTOR shall conduct all business in the most effective manner possible, consistent with industry established best practices and the Procedures Manual; and

c. Before pursuing payment directly from patients, CONTRACTOR shall attempt to identify and qualify the patient for available insurance opportunities; and

d. CONTRACTOR shall turnover to the LAFD any payment received after the account has been returned to the LAFD. CONTRACTOR is not entitled to compensation for an account after it has been returned to the LAFD; and

e. CONTRACTOR shall have view access only to the designated EMS Lockbox account within the CITY's authorized banking system;

f. CONTRACTOR shall establish and maintain fully auditable billing, collections and accounts receivable systems in accordance with Generally Accepted Accounting Principles and Governmental Accounting Standards Board guidelines. CONTRACTOR shall maintain appropriate accounting procedures for reconciling all deposits, receivables, billings, patient accounts, adjustments, and refunds; and

g. CONTRACTOR shall collect patient signatures and create a master lifetime signatures file. To the extent the LAFD obtains signatures of patients or their representatives, it shall be in accordance with the requirements established by law, commercial insurers, and the LAFD policies. In the event that the LAFD fails to obtain proper signatures or under circumstances in which the patient refused or was unable to sign, CONTRACTOR agrees to seek signatures from patient. If the LAFD and CONTRACTOR fail to obtain a patient signature, CONTRACTOR agrees to continue to bill patient only in a manner that is consistent with the law; and

h. CONTRACTOR shall return Litigation Accounts to the LAFD and cease billing efforts upon receiving notice of litigation. CONTRACTOR shall flag Litigation Accounts in its billing system. CONTRACTOR shall forward all payments for Litigation Accounts to the LAFD. CONTRACTOR shall not deposit such payments without express direction from the LAFD; and

i. CONTRACTOR shall utilize an account identification system that cross references easily with the LAFD's assigned dispatch numbers; and

j. CONTRACTOR shall have all form letters reviewed and approved by the LAFD. CONTRACTOR shall comply with CITY ordinances and State and Federal laws; and

k. CONTRACTOR shall comply with the Payment Card Industry's requirements and the CITY Credit Card Acceptance Policy for safeguarding cardholder data and maintaining a secure cardholder environment; and

l. CONTRACTOR's Billing System shall include working with patients to establish payment plans and establish a mechanism to track partial and periodic payments and address defaulted payment plans per CITY policy; and

m. CONTRACTOR shall refer uncollectible accounts to the LAFD's contracted collection agencies (primary and secondary) and shall work with the CITY's collection agencies on accounts referred to said agencies for continued collection activities and write off as defined by CITY Financial Policy, Ordinance and Administrative Code, and as outlined in the Procedures Manual; and

n. CONTRACTOR shall bill all EMS patient accounts, unless exempt from collection under the law or instructed otherwise by the CITY; and

o. CONTRACTOR shall not report delinquent accounts to credit reporting agencies; and

p. CONTRACTOR shall provide the written Health Insurance Portability and Accountability Act ("HIPAA") Privacy Notice to patients in the initial bill, if requested by the LAFD. The additional cost of providing the HIPAA Privacy Notice is described in Exhibit B - Fee Schedule; and

q. CONTRACTOR shall provide for bill payments including pass on services fees via mail, walk-ins at the LAFD, telephone, secure online and any other payment options as required by the CITY; and

r. CONTRACTOR shall only make adjustments to patient accounts in accordance with Exhibit B - Fee Schedule of this Agreement.

6.7 Training

a. CONTRACTOR shall monitor all developments in the law and industry best practices relating to health care insurance and billing. CONTRACTOR shall inform the LAFD of relevant developments and make timely recommendations regarding compliance, if necessary; and

b. CONTRACTOR shall assist the LAFD in developing plan(s) to guide the LAFD in its efforts to comply with the law, as amended or changed from time to time, related to the services provided under this Agreement; and

c. CONTRACTOR shall train its employees and designated LAFD employees with respect to the following subjects:

1. The legal requirements and CONTRACTOR's business practices associated with EMS billing, including but not limited to, the requirements of Medicare, Medicaid, and commercial insurers relating to documentation, medical necessity, assignment of diagnostic and procedural codes, and preparation and submission of claims;

2. The consequences of failing to comply with applicable laws, including the penalties for fraud, abuse, and HIPAA violations.

d. CONTRACTOR shall furnish a review course on an annual basis to all employees performing medical necessity determination and medical diagnostic coding services under this Agreement. The annual course must include a review and update of the CONTRACTOR's Compliance Program and Agreement Services but shall not serve as a substitute course for the complete training requirement, referred to above.

6.8 Data Management, Security and Privacy

a. Data Ownership and Use

The City is the sole and exclusive owner of all data and information that is managed or contained within the system and/or provided to the Contractor by or on behalf of City pursuant to this Agreement and any and all updates or modifications thereto or derivatives thereof made by Contractor ("City Data"), and all intellectual property rights in the foregoing, whether or not provided to any other party under this Agreement. Subject to the restrictions articulated elsewhere in this Agreement, City grants Contractor a non-transferable, non-exclusive, terminable at-will license, solely for the term of this Agreement, to use City Data solely for purposes of performing the services pursuant to this Agreement for City's benefit.

b. Confidential Data

City Data is Confidential Information for the purposes of this Agreement. Contractor shall not use City Data for any purpose other than that of rendering the services under this Agreement, nor sell, assign, lease, dispose of or otherwise exploit City Data. Contractor shall not possess or assert any lien or other right against or to City Data. City may request an export of City Data stored within the systems or held by Contractor in any form or format at no charge to City.

c. Data Protection in General

The protection of personal privacy and personally identifiable data shall be an integral part of the business activities of Contractor, and Contractor shall use all reasonable efforts to prevent inappropriate or unauthorized use of City Data at any time and safeguard the confidentiality, integrity, and availability of City Data.

d. Data Protection Encryption

Unless otherwise stipulated in writing, Contractor shall encrypt all City Data at rest and in transit with controlled access. The Contractor shall apply and support encryption solutions that are certified against U.S. Federal Information and Processing Standard 140-2, Level 2, or equivalent industry standard, and verify that the encryption keys and keying material are not stored with any associated data. Whenever and wherever applicable, Contractor shall apply and support industry standards or better for

tokenization, fraud-use protection, format-preserving encryption, and data encryption technology.

e. Data Protection Copying

At no time shall any City Data be copied, disclosed, or retained by Contractor or any party related to Contractor, including its subcontractors, for use in any process, publication, or transaction that is not specifically authorized by the City in writing.

f. Data Protection Hacking

Contractor shall secure and protect all City Data from hacking, viruses, ransomware, and denial of service and related attacks.

g. On Shore Development and Access

Contractor shall provide its services to the City and its end users solely from facilities / data centers in the continental United States of America. Storage of City Data at rest shall be located in the continental United States of America. Contractor shall not allow its personnel or subcontractors to store City Data on portable devices, including personal computers, except for devices that are used and kept only at Contractor's continental United States of America offices or data centers. Contractor may permit its personnel and subcontractors to access City Data remotely only as required to provide Contracted Services. Contractor shall neither access nor allow a third-party access to City Data from any location outside of the continental United States of America. Contractor shall not provide any services under this Agreement from a location outside of the continental United States of America, absent receipt of City's express approval. For purposes of support services provided in association with the Service Level Agreement, City's approval may come via e-mail or other written instrument from the Department's Chief Information Officer.

h. Access Limitations

Contractor shall use precautions, including, but not limited to, physical software and network security measures, personnel screening, training and supervision, and appropriate agreements to prevent anyone other than authorized City personnel, users and subcontractors with a specific need to know, for a purpose authorized under this Agreement, from monitoring, using, or gaining access to City Data. The Contractor shall also protect appropriate copies of City Data from loss, corruption, or unauthorized alteration; and prevent the disclosure of City and Contractor usernames, passwords, API keys, and other access control information to anyone other than authorized City personnel.

i. Least Privilege

Contractor shall authorize access only to the minimum amount of resources required to fulfill the Contractor's responsibilities in this contract.

j. Separation of Duties

The Contractor shall, as much as practical, divide functions among its staff members to reduce the risk of creating an undue dependency on one key person and reducing the risk of fraud being undetected.

k. Role-Based Security

The Contractor shall restrict access to authorized users and base access control on the role a user plays in the Contractor's organization.

l. Credential Restrictions

Contractor shall restrict the use of, and access to, administrative credentials for accounts and system services accessing City Data, to only those of Contractor's personnel and subcontractors whose access is essential for the purpose of providing the Contracted Services or performing obligations under this Agreement. Contractor shall require personnel and subcontractors to log on using an assigned user-name and password when administering City accounts or accessing City Data. These controls must enable Contractor to promptly revoke or change access in response to terminations or changes in job functions, as applicable. Contractor shall encrypt all passwords, passphrases, and PINs, using solutions that are certified against U.S. Federal Information and Processing Standard 140-2, Level 2, or equivalent industry standard, and verify that the encryption keys and keying material are not stored with any associated data. Contractor shall implement any City request to revoke or modify user access within twenty-four (24) hours or the next business day of receipt of City's request. Contractor shall disable user accounts after, at most, ten (10) consecutive invalid authentication attempts. References to "subcontractor" in the Pledge of Compliance document is limited to subcontractors providing professional services.

m. Physical and Environmental Security

Contractor facilities that process City Data must provide a physically secure environment from unauthorized access, damage, and interference.

n. Operational Controls

Contractor shall implement operational procedures and controls designed to ensure that technology and information systems are configured and maintained according to prescribed internal standards and consistent with applicable Industry Standard Safeguards. Examples of Industry Standard Safeguards are ISO/IEC 27002:2005, NIST 800-44, Microsoft Security

Hardening Guidelines, OWASP Guide to Building Secure Web Applications, SOC 2 Type 2, and the various Center for Internet Security Standards. Moreover, Contractor shall use application security and software development controls designed to eliminate and minimize the introduction of security vulnerabilities.

o. Antivirus

Contractor shall have and maintain antivirus protection configured to automatically search for and download updates (daily, at a minimum) and perform continuous virus scans. Malware and threat detection must be updated continuously, and software patches provided by vendors must be downloaded and implemented in a timely manner. If Contractor is unable to implement these controls in a timely manner, Contractor shall notify City in writing.

p. Vulnerability Management and Patching

Contractor shall employ vulnerability management and regular application, operating system, and other infrastructure patching procedures and technologies designed to identify, assess, mitigate, and protect against new and existing security vulnerabilities and threats, including viruses, bots, and other malicious code.

q. Network Controls

Contractor shall have, shall implement, and shall maintain network security controls, including the use of firewalls, layered DMZs and updated intrusion detection and prevention systems, reasonably designed to protect systems from intrusion or limit the scope or success of any attack or attempt at unauthorized access to City Data.

r. Logging and Monitoring

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Unless prohibited by applicable law, Contractor shall, and shall require subcontractors to, continuously monitor its networks and personnel for malicious activity and other activity that may cause damage or vulnerability to City Data. Contractor shall maintain logs of administrator and operator activity and data recovery events related to City Data.

s. Changes in Service

Contractor shall notify the City of any changes, enhancement, and upgrades to the System Administration and Network Security, or changes in other related services, policies, and procedures, as applicable, which can adversely impact the security of City Data.

t. Policies

Contractor shall, and shall require subcontractors to, establish and maintain a formal, documented, mandated, company-wide information security program, including security policies, standards, and procedures (collectively "Information Security Policy"), and communicate the Information Security Policy to all of its respective personnel in a relevant, accessible, and understandable form. Contractor shall regularly review and evaluate the Information Security Policy to ensure its operational effectiveness, compliance with all applicable laws and regulations, and to address new threats and risks. Upon execution of this Agreement and thereafter within three (3) days of City's request, Contractor shall make available for review by the City Contractor's Information Security Policy and any related SOC audits or other evidence that Contractor has in place appropriate policies and procedures regarding information protection and security.

u. Vulnerability and Risk Assessments

At least annually, Contractor shall perform vulnerability tests and assessments of all systems that contain City Data. For any of Contractor's applications that process City Data, such testing must also include penetration tests using intercept proxies to identify security vulnerabilities that cannot be discovered using automated tools, and code review or other manual verifications to occur at least annually.

v. Right of Audits by City/Security Review Rights

City and its agents, auditors (internal and external), regulators, and other representatives as City may designate, may inspect, examine, and review the facilities, books, systems, records, data, practices, and procedures of Contractor (and any personnel) that are used in rendering services to City to verify the integrity of City Confidential Information and to monitor compliance with the confidentiality and security requirements for City Confidential Information. In lieu of an on-site audit, at City's discretion and upon request by the City, the Contractor agrees to complete, within fourteen (14 days) of receipt, an audit questionnaire provided by the City regarding the Contractor's data privacy and information security program. Contractor shall comply with all recommendations that result from such inspections, tests, and audits within reasonable timeframes.

w. Data Backup and Emergency Recovery

Contractor shall employ a multilayered approach to backups and disaster recovery, including the use of a primary data center and a backup data center. Contractor shall perform both local and remote backups of the complete server infrastructure, including server operating systems, applications, and data. Contractor shall perform Disaster Recovery Tests no less than annually. Contractor shall maintain and comply with a reasonable written plan (the "DR Plan") setting forth procedures for (a) mitigating

disruption to systems during and after an earthquake, hurricane, other natural disaster, war, act of terrorism, act of cyberterrorism, and other natural or man-made disaster, including without limitation Force Majeure Events (as that term is used in PSC-6, Excusable Delays, of the Standard Provisions for City Contracts (Rev. 10/21)[v.4] (collectively, a "Disaster"); and (b) restoring Service functionality promptly after a Disaster. The DR Plan will include procedures no less protective than industry standard, and Contractor shall update the DR Plan as the industry standard changes.

x. Data Return and Destruction

At the conclusion of the Agreement and as instructed by City, Contractor shall (at its sole cost) return, delete, or destroy City Data then in its possession or under its control including, without limitation, originals, and copies of such City data. The following types of information are excluded from this requirement: (i) City Data that becomes a part of the public domain, including through court filings; and (ii) City Data that Contractor is required to maintain, by law, regulations, or by the terms of this Agreement, but only for the time period required. For the avoidance of doubt, anything that is stored on routine backup media solely for the purpose of disaster recovery will be subject to destruction in due course rather than immediate return or destruction pursuant to this paragraph, provided that Personnel are precluded from accessing such information in the ordinary course of business prior to destruction.

Contractor shall implement and utilize appropriate methods to ensure the destruction of City Data. Such methods shall be in accordance with recognized Industry best practices and shall leave no data recoverable on Contractor's computers or other media.

Contractor agrees to certify that City Data has been returned, deleted, or destroyed from its systems, servers, off-site storage facilities, office locations, and any other location where Contractor maintains City Data within forty-five (45) days of receiving City's request that the information be returned, deleted, or destroyed. Contractor shall document its verification of data removal, including tracking of all media requiring cleaning, purging or destruction.

y. Data Breach

Contractor shall notify City in writing as soon as reasonably feasible, but in any event within forty-eight hours, or if later, the next business day after Contractor's discovery of any unauthorized access of City Data or Contractor becoming reasonably certain that such unauthorized access has occurred (a "Data Breach"), or of any event that compromises the integrity, confidentiality or availability of City Data (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. Contractor shall begin remediation immediately. Contractor shall provide daily updates if requested by City, and, in any event, reasonably frequent updates, regarding findings and actions performed by Contractor until the Data Breach or Security Incident has been resolved to

City's satisfaction. Contractor shall conduct an investigation of the Data Breach or Security Incident and shall share a report of the investigation findings with City. At City's sole discretion, City and/or its authorized agents shall have the right to conduct an independent investigation of a Data Breach. Contractor shall cooperate fully with City and its agents in that investigation. If the City is subject to liability for any Data Breach or Security Incident, the Contractor shall fully indemnify and hold harmless the City and defend against any resulting actions.

z. Confidentiality

1. City's Confidential Information

For purposes of this section, "Confidential Information" means any nonpublic information whether disclosed orally or in written or digital media, received by Contractor that is either marked as "Confidential" or "Proprietary" or which the Contractor knows or should have known is confidential or proprietary information. City Data shall be treated as Confidential Information by Contractor under this Agreement, even if such data is not marked "Confidential" or "Proprietary" or was obtained by or transferred to Contractor prior to the effective date of this Agreement.

2. Protection of Confidential Information

Except as expressly authorized herein, Contractor shall (a) hold in confidence and not disclose any Confidential Information to third parties and (b) not use Confidential Information for any purpose other than fulfilling its obligations and exercising its rights under this Agreement or performing the contracted services. Contractor shall limit access to Confidential Information to Contractor personnel and subcontractors that are previously disclosed to City and, (1) who have a need to know such information for the purpose of Contractor performing its obligations or exercising its rights under this Agreement, or performing Contracted Services; (2) who have confidentiality obligations no less restrictive than those set forth herein; and (3) who have been informed of the confidential nature of such information. In addition, the Contractor shall protect Confidential Information from unauthorized use, access, or disclosure in the same manner that it protects its own proprietary information of a similar nature, but in no event with less than reasonable care. At LAFD's request or upon termination or expiration of this Agreement, the Contractor shall return to LAFD any Deliverables not provided to the City and Contractor shall destroy (or permanently erase in the case of electronic files) all copies of Confidential Information, and Contractor shall, upon request, certify to City its compliance with this sentence.

3. Exceptions

The confidentiality obligations set forth in Section 6.8 shall not apply to any Confidential Information that (a) is at the time of disclosure or becomes generally available to the public through no fault of the Contractor; (b) is

lawfully provided to the Contractor by a third party free of any confidentiality duties or obligations; (c) was already known to the Contractor at the time of disclosure free of any confidentiality duties or obligations; or (d) the Contractor can demonstrate was independently developed by personnel of the Contractor without reference to the Confidential Information. In addition, the Contractor may disclose Confidential Information to the extent that such disclosure is necessary for the Contractor to enforce its rights under this Agreement or is required by law or by the order of a court or similar judicial or administrative body, provided that (to the extent legally permissible) the Contractor promptly notifies LAFD in writing of such required disclosure, cooperates with LAFD if LAFD seeks an appropriate protective order, and the Contractor discloses no more information that is legally required.

4. Compliance with Privacy Laws

Contractor is responsible for ensuring that Contractor's performance of its obligations and exercise of its rights under this Agreement complies with all applicable local, state, and federal privacy laws and regulations, as amended from time to time. If this Agreement or any practices which could be, or are, employed in performance of this Agreement become inconsistent with or fail to satisfy the requirements of any of these privacy laws and regulations, City and Contractor shall in good faith execute an amendment to this Agreement sufficient to comply with these laws and regulations and Contractor shall complete and deliver any documents necessary to show such compliance. The City acknowledges and agrees that Contractor is not responsible for giving any notices to or obtaining any consents from any other party in order for Contractor to process the City Data as contemplated by this Agreement.

6.9 Audits

a. CONTRACTOR shall provide the LAFD access to all requested information related to this Agreement in order for the LAFD to perform appropriate and periodic audits; and

b. The CITY will provide a one (1) week notice to CONTRACTOR before any periodic audit, which shall be conducted during the CONTRACTOR's normal business hours; and

c. Audit reports may be run at any time.

6.10 Standards/Laws

a. CONTRACTOR's Billing System shall comply with all applicable CITY, county, State, and Federal laws and rules governing emergency medical services billing; and

b. CONTRACTOR shall create, implement and comply with a Compliance Plan consistent with the intent and activities included in the U.S. Office of Inspector

General (OIG) Compliance Program Guidance for Third Party Medical Billing Companies 63 FR 70138; (December 18, 1998).

6.11 Reports

a. CONTRACTOR's reporting system shall enable the LAFD to monitor, evaluate, manage and audit accurately the CONTRACTOR's performance under this Agreement; and

b. CONTRACTOR shall provide the reports specified in the Procedures Manual as well as any other reports that CONTRACTOR provides in the normal course of business; and

c. CONTRACTOR shall provide ad hoc reporting capability; and

d. CONTRACTOR shall provide accounting reports in electronic format, pursuant to Generally Accepted Accounting Principles, on a monthly, quarterly, and annual basis; or as requested by the LAFD. Accounting reports shall be made available to the LAFD ten (10) business days after the end of the month.

6.12 Fee Changes

CONTRACTOR shall make recommendations to the LAFD regarding EMS Fee Ordinance amendments. CONTRACTOR shall abide by the CITY's Fee Ordinances. Any proposed change to the Fee Ordinances may only be made by amendment to the ordinances.

6.13 Access to and Maintenance of Records

a. The CONTRACTOR shall make available its Software to authorized LAFD personnel twenty-four (24) hours each day and seven (7) days each week for the duration of this Agreement. CONTRACTOR's Billing System shall be capable of archiving and retrieving either electronic images or original billing records, signature verifications, and related data; and

b. Access to data shall be limited to persons authorized by either the CONTRACTOR or the CITY. A complete access form for each of CITY's personnel authorized to access the Software must be submitted to and approved by CONTRACTOR as provided in the Procedures Manual; and

c. CONTRACTOR shall maintain all records related to the performance of this Agreement in a format that meets all requirements under the law. CONTRACTOR may not destroy data without written approval of the Los Angeles City Attorney; and

d. CONTRACTOR shall perform regular data backup, as provided in the Procedures Manual; and

e. CONTRACTOR shall have a disaster recovery and business restoration plan in place. CONTRACTOR shall test its disaster recovery capabilities annually to ensure that data can be retrieved and made available to the LAFD. The LAFD may audit documentation of these capabilities periodically; and

f. CONTRACTOR shall provide CITY with periodic data downloads, in a usable format by the CITY, of all patient account information, as further defined in the Procedures Manual; and

g. All records must be returned to the LAFD upon expiration or termination of this Agreement, whichever occurs first.

7.0 OBLIGATIONS OF THE LAFD

7.1 Documentation

a. The LAFD shall provide CONTRACTOR with patient encounter information on a timely basis and in sufficient detail to support diagnosis and procedure coding. The LAFD shall also provide patient demographic information necessary for accurate patient identification including name, address, social security number, date of birth, and telephone number, to the extent possible. Where possible, the LAFD will obtain and provide CONTRACTOR with patient health insurance, auto insurance, or other insurance information; and

b. The LAFD shall provide CONTRACTOR with requested documents, to the extent possible.

7.2 Policies

The LAFD shall provide CONTRACTOR with its approved billing policies and procedures including Fee Ordinances. The LAFD may engage a third party collection service to collect uncollected accounts after CONTRACTOR has exhausted its billing efforts or returned the account to the LAFD, if necessary.

7.3 Refunds

The LAFD shall provide timely process for refunds identified by CONTRACTOR for account overpayments or wrong payments, providing CONTRACTOR supplies sufficient documentation to support the refund. If any refunds of patient accounts are required to be refunded or offset by any government and/or commercial payer as a result of CITY's violation of its obligations set forth in Section 7.6 Compliance (an "Excluded Person Refund"), CONTRACTOR shall not be required to refund the CITY any commissions or fees earned or previously paid to CONTRACTOR as a result of its collection of such Excluded Person Refund or otherwise include such Excluded Person Refunds in its calculation of Net Collections as set forth in Exhibit B - Fee Schedule.

7.4 Lock Box and Credit Cards

The LAFD shall provide a lock box address to CONTRACTOR and will instruct lock box vendor to forward all lock box documents to CONTRACTOR for processing if the LAFD desires to utilize the services of a lock box vendor. The LAFD agrees that it will be solely responsible for the cost of any and all lock box services related to EMS lock box deposits. The LAFD also agrees that it will be solely responsible for any cost associated with any credit card acceptance program in which the LAFD elects to participate.

7.5 Bank Balance

The LAFD shall, at its discretion, provide CONTRACTOR with daily bank balance reporting capabilities via the bank's designated web site for the EMS billing lock box account only.

7.6 Compliance

The LAFD shall cooperate with CONTRACTOR in all matters to ensure proper compliance with laws and regulations. Furthermore, CITY represents and warrants that all of its employees, personnel and independent contractors involved in the delivery of EMS or otherwise performing services for CITY: (i) hold the licensure or certification required to perform such services, (ii) have not been convicted of a criminal offense related to health care or been listed as debarred, excluded or otherwise ineligible for participation in a Federal health care program and (iii) are not excluded persons listed on any of the following: (a) the Office of the Inspector General List of Excluded Individuals and Entities; (b) the General Services Administration's Excluded Parties List; and (c) the Office of Foreign Asset Control's Specially Designated Nationals List.

7.7 Internet Access

CITY shall be responsible for providing its own Internet Access, and in no event shall CITY be provided with direct access (by modem or otherwise) to the Software server unless otherwise agreed by the parties, other than access that is available to third parties generally through the Internet. The parties acknowledge that, since the Internet is neither owned nor controlled by any other entity, CONTRACTOR makes no guarantee that any given user will be able to access the Software at any given time. There are no assurances that access will be available at all times and uninterrupted, and CONTRACTOR shall not be liable to CITY for its inability to access the Software.

7.8 Security Software

CITY acknowledges that it is solely responsible for providing security software, including without limitation, firewalls and similar applications, to prevent unauthorized access to its computer systems.

8.0 EXCLUSIVE AGREEMENT

The Parties understand and agree that this is an exclusive agreement to provide the CONTRACTOR's Billing System described herein. The LAFD will not enter into any other agreements for the services described in this Agreement before this Agreement expires or otherwise earlier terminates, unless agreed upon by the Parties through a written amendment to this Agreement. The CONTRACTOR understands that delinquent bill collections pursued under Los Angeles Administrative Code Section 5.181 are not covered by this Agreement. The CONTRACTOR understands that patient accounts for which the LAFD has commenced the billing process, but which are not transitioned to CONTRACTOR are not covered by this Agreement.

9.0 COMPENSATION AND METHOD OF PAYMENT

9.1 Compensation

a. For satisfactory services rendered under this Agreement, the CITY shall pay the CONTRACTOR in accordance with Exhibit B - Fee Schedule. The CITY shall issue a check for the amount invoiced, less any disputed amounts, within thirty (30) days of approval of a complete invoice, but not later than forty (40) days after receipt. CONTRACTOR shall resolve any disputed amounts within sixty (60) days from the date the CITY gives notification of a dispute;

b. CONTRACTOR's compensation will be adjusted by the performance guarantee, if applicable.

9.2 Method of Payment

The CONTRACTOR must include the following information, and any other documentation requested by the LAFD on each invoice, unless instructed otherwise by the LAFD:

a. Date of invoice; and

b. Invoice number; and

c. Agreement number; and

d. Description of services; and

e. Amount of Invoice, including the basis of the calculation; and

f. Detailed listing of the invoices paid by patient or insurance providers, including date of calculation, amount of collection, and basis of calculation of CONTRACTOR's fee; and

g. A computation of the performance guarantee calculated in accordance with Section 10.0 Performance Penalty, if any.

Except as otherwise expressly provided for in Section 6.0, Services to be Provided, all other costs incurred by CONTRACTOR in the performance of the CONTRACTOR

Services (including, but not limited to postage, materials, communications and phone costs and other operating costs) will be CONTRACTOR's sole responsibility.

10.0 PERFORMANCE PENALTY

10.1 Background

CONTRACTOR and CITY agree that optimizing collection performance requires that both CONTRACTOR and CITY meet their obligations under this Agreement. Based on CONTRACTOR's projections of increased collections, and CITY's provision of historical financial and reimbursement performance information, CITY has established a Minimum Threshold as a collection performance standard.

10.2 Definitions for Performance Penalty:

Collections means the amount of money collected for transports associated with a specific date of service, reduced or increased by refunds, check deposits with non-sufficient funds (NSF), and any other applicable adjustment(s).

Billed Transports means any transport from a specific date of service for which an invoice is sent by CONTRACTOR to either a patient or a third party payer (e.g., insurance) and for which payment is otherwise expected. CONTRACTOR shall have the authority to determine which transports can be billed. CONTRACTOR will incorporate, among other things, the CITY's requirements of what accounts cannot be billed due to CITY policy. Examples of unbillable transports may include transports of patients who are homeless, transports for which the demographic information is inadequate for the successful delivery of an invoice to the patient, and transports for which insurance cannot be identified after reasonable attempts to identify the patient or patient insurance coverage through hospital outreach, skip tracing or insurance sweeps. Also excluded from the definition of Billed Transports are those accounts where CONTRACTOR, in its sole discretion, determines that submitting a claim would be in violation of law, regulations, or rules promulgated by any Federal, State, or local authority with relevant jurisdiction. Any transport that the CITY withdraws from the billing cycle due to policy reasons (e.g., police custody, accounts in litigation that the CITY pursues payment on) qualify as unbillable accounts for which payment is not expected by the CONTRACTOR.

Collections per Billed Transport means Collections divided by Billed Transports.

Performance Period means the fiscal year for which a potential performance penalty is being calculated.

Transport means any transport from a specific date of service for which charges are created and maintained on a patient account.

Collections per Transport means Collections divided by all Transports.

Minimum Threshold means the performance level, expressed as Collection per Billed Transport, used to compute the performance penalty, if any. The Minimum Threshold

shall be subject to adjustments as provided in Section 10.3 Computation of the Performance Penalty, below. After fiscal year 2011/2012 the Minimum Threshold shall be adjusted annually to be equal to the actual Collection per Billed Transport for the previous fiscal year. The Minimum Threshold shall be measured on or about July 1 that occurs twelve (12) months after the Performance Period ends. The Minimum Threshold shall be adjusted when documented changes occur in the reimbursement environment, which are outside of the control of the CONTRACTOR and impact actual revenue by more than 5%.

For the fiscal year 2010/2011 and the fiscal year 2011/2012 the Minimum Threshold shall be $348 per Billed Transport, unless otherwise adjusted under this Agreement. For each of those fiscal years, the actual Collection per Billed Transport was $392.

For the fiscal year 2012/2013 the Minimum Threshold was $392 with no adjustments required under this Agreement. The actual collection was $391.

For fiscal year 2013/2014 the Minimum Threshold was $391 with no adjustments required under this Agreement. The actual collection was $373.

For fiscal year 2014/2015 the Minimum Threshold was $373 with no adjustments required under this Agreement. The actual collection was $369.

For fiscal year 2015/2016 the Minimum Threshold was $369 with no adjustments required under this Agreement. The actual collection was $365.

For fiscal year 2016/2017 the Minimum Threshold was $365 with no adjustments required under this Agreement. The actual collection was $359.

For fiscal year 2017/2018 the Minimum Threshold was $359 with no adjustments required under this Agreement. The actual collection was $372.

For fiscal year 2018/2019 the Minimum Threshold was $372 with no adjustments required under this Agreement. The actual collection was $433.

For fiscal year 2019/2020 the Minimum Threshold was $433 with no adjustments required under this Agreement. The actual collection was $437.

For fiscal year 2020/2021 the Minimum Threshold shall be measured on or about July 1, 2022.

For fiscal year 2021/2022 the Minimum Threshold shall be measured on or about July 1, 2023.

For fiscal year 2022/2023 the Minimum Threshold shall be measured on or about July 1, 2024.

For fiscal year 2023/2024 the Minimum Threshold shall be measured on or about July 1, 2025.

For fiscal year 2024/2025 the Minimum Threshold shall be measured on or about July 1, 2026.

For fiscal year 2025/2026 the Minimum Threshold shall be measured on or about July 1, 2027.

Annual Fee means the actual fees paid to the CONTRACTOR by CITY for services rendered by CONTRACTOR for Billed Transports for which the date of transport occurs during the Performance Period as defined in Exhibit B - Fee Schedule.

10.3 Computation of the Performance Penalty

10.3.1 For the fiscal year 2010/2011 and fiscal year 2011/2012 only:

a. Performance Penalty Schedule

% of Minimum Threshold Achieved	Performance Penalty %
100% or greater	0%
90-99%	5% of Annual Fee
80-89%	10% of Annual Fee
70-79%	25% of Annual Fee
<70%	50% of Annual Fee

b. Minimum Threshold Reset - The computation of a Minimum Threshold for the initial two (2) fiscal years involved certain assumptions to be made about past and projected collections performance. It is recognized that the CITY's information about past collection performance is incomplete and based on data definition and billing practices that do not reflect certain billing policies that CONTRACTOR may implement. Accordingly, if any of the below assumptions prove to be materially incorrect (defined as a greater than 2% variance between the actual amounts ultimately realized and the assumed amounts), the Minimum Threshold for that fiscal year shall be reset to equal the actual Collections per Billed Transport for that fiscal year or portion of the fiscal year for which the CONTRACTOR had sole billing responsibility;

i. The initial Minimum Threshold computation assumes that total Collections for the fiscal year 2010/2011 will equal $63,000,000. The Minimum Threshold Reset provisions shall apply if the actual Collections for the portion of the fiscal year 2010/2011 that CONTRACTOR has sole billing responsibility are less than a prorated portion of $63,000,000, and the shortfall is due either to inaccuracies in the computation of the assumption or to circumstances beyond the control of the CONTRACTOR. The proration will be done based upon the number of days during the fiscal year that CONTRACTOR has sole billing responsibility. For example, if CONTRACTOR assumes sole billing responsibility for all transports that occur on or after September 1, 2010, then the prorated reimbursement assumption

shall be $63,000,000 multiplied by 303 days/365 days which equals $52,298,630;

ii. The Minimum Threshold computation assumes that Billed Transports for the Fiscal Year 2010/2011 will equal 181,000, which was determined by computing an average number of Billed Transports over the past seven (7) fiscal years. This will apply if the actual Billed Transports for the portion of the fiscal year that CONTRACTOR has sole billing responsibility are materially more than a prorated portion of the 181,000 assumed Billed Transports, and if that variance results from either an inaccurate assumption or to circumstances beyond the control of the CONTRACTOR;

iii. The Minimum Threshold computation assumes that there will be no material changes in the amount or timing of reimbursement by major payers such as Medicare, Medi-Cal, workers compensation, or commercial insurance carriers as a result of fee schedule changes, Federal or California Healthcare reform, other Federal or State legislative or regulatory actions, CITY, California, or Federal fiscal distress, or any other reason beyond the control of the CONTRACTOR. In the event such changes occur, the Minimum Threshold reset provision outlined in this Section will apply.

10.3.2 <u>For fiscal year 2012/2013 through to fiscal year 2013/2014</u>

a. Performance Penalty Schedule - If the actual Collection per Billed Transport for the Performance Period is less than the Minimum Threshold, as defined in section 10.2 Definitions for Performance Penalty and, if necessary, reset under Section 10.3.2.b outlined below, CONTRACTOR shall incur a Performance Penalty in accordance with the following schedule:

%of Minimum Threshold Achieved	Performance Penalty %
95% or greater	0%
90-94%	5% of Annual Fee
80-89%	10% of Annual Fee
70-79%	25% of Annual Fee
<70%	50% of Annual Fee

b. Performance Penalty Calculation - The calculation of the Performance Penalty will be done on a date of service basis, and will be performed twelve (12) months from the last month of the end of the Performance Period and shall be computed by comparing the Collections per Billed Transport for the Performance Period to the Minimum Threshold.

CONTRACTOR will provide a Performance Penalty calculation to the LAFD within thirty (30) days from the date such Performance Penalty, is calculated. If the CONTRACTOR does not meet the Minimum Threshold, and documents that the reasons for not meeting the Minimum Threshold

were both material and related to factors outside of its control, the LAFD shall adjust the Minimum Threshold to account for the factors outside the CONTRACTOR's control and the Performance Penalty will be recalculated based on the adjusted Minimum Threshold. For the purposes of this clause material shall mean changes outside the CONTRACTOR's control that impact Collections per Billed Transport by more than 5% compared to the Minimum Threshold.

For each Performance Period where any penalties have been imposed and CONTRACTOR subsequently achieves the Minimum Threshold, 80% of the penalty shall be recouped by CONTRACTOR.

c. Performance Penalty from 2012/2013 through 2014/2015 – Effective with the collection of accounts with a service date of July 1, 2015 and beyond, this section will no longer be utilized to calculate the annual performance penalty.

10.3.3 <u>For fiscal year 2015/2016 onward:</u>

a. Performance Penalty Schedule – Should the actual Collection per Billed Transport for the Performance Period be less than the Minimum Threshold, as defined in section 10.2 Definitions for Performance Penalty and, if necessary, reset under the Section 10.3.3.b outlined below, CONTRACTOR shall incur a Performance Penalty in accordance with the following Schedule:

% of Minimum Threshold Achieved	Performance Penalty %
95.00% or greater	No Penalty
90.00 – 94.99%	5% of Annual Fee
80.00 – 89.99%	10% of Annual Fee
70.00 – 79.99%	25% of Annual Fee
Less than 70.00%	50% of Annual Fee

b. Performance Penalty Calculation – the calculation of the Performance Penalty will be done on a date of service basis, and will be performed twelve (12) months from the last month of the end of the Performance Period, and shall be computed by comparing the Collections per Billed Transports for the Performance Period to the Minimum Threshold. For purposes of Section 10.3.3, the measurement of the Minimum Threshold shall apply to all accounts with a service date commencing on July 1st, of each year, through to the following June 30th, and the measurement shall be made within ten (10) calendar days following twenty-four (24) months after the start of the performance period (e.g., a performance period of July 1, 2014 through to June 30, 2015, the Minimum Threshold must be calculated between July 1, 2016 and July 10, 2016).

CONTRACTOR will provide a Performance Penalty calculation to the LAFD within five (5) days from the date such Performance Penalty is calculated. If the CONTRACTOR does not meet the Minimum Threshold and

documents that the reasons for not meeting the Minimum Threshold were both material and related to factors outside its control, the LAFD shall adjust the Minimum Threshold to account for the factors outside the CONTRACTOR's control and the Performance Penalty will be recalculated based on the adjusted Minimum Threshold. For the purposes of this clause material shall mean changes outside the CONTRACTOR's control that impact Collections per Billed Transport by more than 5% compared to the Minimum Threshold.

For a Performance Period where any penalties are to be imposed, the CONTRACTOR will be afforded a grace period of six (6) months following the initial calculation of the performance penalty to achieve the previously established Minimum Threshold. If the Contractor does not achieve the Minimum Threshold by the end of the six (6) month grace period, the Performance Penalty shall be due, immediately, unless otherwise agreed by the parties.

11.0 COMPLIANCE STANDARDS

11.1 Compliance Program. CONTRACTOR shall have a compliance program that encompasses the following elements, to assure compliance with all applicable laws and conform to best practices in the field of emergency medical services billing and soft collections, throughout the performance of this Agreement.

a. The development and distribution of written standards of conduct, as well as written policies and procedures that promote the billing company's commitment to compliance (e.g., by including adherence to the compliance program as an element in evaluating managers and employees, subcontractors and agents) and that addresses specific areas of potential fraud, such as the claims submission process, code gaming and financial relationships with its providers;

b. The designation of a chief compliance officer and other appropriate bodies, e.g., a corporate compliance committee, charged with the responsibility of operating and monitoring the compliance program and who report directly to the CONTRACTOR's senior leadership and the governing body/board;

c. The development and implementation of regular, effective education and training programs for all affected employees, subcontractors and agents;

d. The creation and maintenance of process, such as a hotline, to receive complaints and the adoption of procedures to protect the anonymity of complainants and to protect callers from retaliation;

e. The development of a system to respond to allegations of improper/illegal activities and the enforcement of appropriate disciplinary action against employees who have violated internal compliance policies, applicable status, regulations or Federal, State or private payer health care program requirements;

f. The use of audits and/or other risk evaluation techniques to monitor compliance and assist in the reduction of identified program areas;

g. The investigation and correction of identified systemic programs and the development of policies addressing the non-employment of sanctioned individuals;

h. At any point, the LAFD may participate in the Compliance Program and may request additional details regarding the accounts reviewed. In instances where changes are made as a result of the claims review findings, the LAFD may audit the effectiveness of the new process or request the CONTRACTOR to do so.

11.2 Claims Review:

a. CONTRACTOR shall perform a claims review, using a random sample of 500 accounts, on a quarterly basis. The CONTRACTOR shall select a random sample of 500 accounts and will review the accounts for accuracy of:

i. Coding; and

ii. Medical necessity determination on government claims; and

iii. Charges captured (all and proper); and

iv. Charges to the LAFD's charge master; and

v. Claim filing; and

vi. Signatures documented for Medicare claims; and

vii. Payments and adjustments posted correctly to account (for time lagged accounts); and

viii. Patient invoicing, where applicable, occurred correctly (for time lagged accounts).

b. CONTRACTOR shall base its sample selection on Federal Governmental Accountability Standards (RAT-STAT); and

c. For each area identified above, the CONTRACTOR shall divide the number of problem accounts by five hundred (500). In any area where the error rate exceeds 5%, CONTRACTOR shall research the root cause of the problem, document the remediation plan, and then implement the plan; and

d. The claims review will result in a summary report of the findings, which at minimum, will include:

i. An overview of the findings; and

ii. Specific results for the various areas audited; and

iii. In any area where the audit identified less than 90% accuracy, an explanation of the remediation activities the CONTRACTOR shall implement.

e. The CONTRACTOR shall retain the audit documentation for at least thirty-six (36) months should the LAFD wish to review the accounts in detail.

12.0 KEY PERSONNEL

12.1 LAFD Key Personnel

a. Project Manager as designated by the Fire Chief.

b. System Administrator.

The System Administrator shall be designated by the LAFD Information Systems Manager (ISM) the Procedures Manual referenced in Section 4.0 of this Agreement.

c. Authorized Users.

The LAFD shall, through its Management Information Systems Section, maintain a list of authorized users to the CONTRACTOR's System, which will be reviewed and updated as changes occur.

12.2 CONTRACTOR Key Personnel

a. A Staff Assignment Table, as defined in the Procedures Manual, lists all Key Personnel and their assignments during the project, including any subcontractor personnel. The table contains all key assigned personnel who have been approved for work on this project, including replacement personnel who may be substituted for an assigned staff member should they ultimately be unavailable;

b. The LAFD reserves the right to approve or disapprove key personnel. The LAFD will allow a CONTRACTOR or subcontractor to substitute out key personnel upon the LAFD written approval, as long as approval is not unreasonably withheld, conditioned, or delayed. Replacement of reassigned personnel, if approved, shall be with personnel with equal or greater ability and qualifications, and provided at no charge for their first ten (10) business days following their start date. In addition, the LAFD reserves the right to require a replacement of personnel whom the LAFD judges to be unsuitable, or whose continued use is deemed to be contrary to the best interest of the LAFD.

13.0 CONFIDENTIALITY

13.1 Confidentiality

a. Confidential Information. The parties agree that any Confidential Information provided under this Agreement shall be held and maintained in strict confidence, subject to applicable statutory requirements regarding public records. Each party agrees to protect the Confidential Information of the other party in a manner consistent with the protections used to protect its own Confidential Information, including, without limitation, informing its employees of its obligations under this Agreement and taking such steps as are reasonable in the circumstances, or as reasonably requested by the other party, to prevent any unauthorized disclosure, copying or use of Confidential Information. Confidential Information means any proprietary or other information that is required or allowed to be maintained in confidence under the laws governing a municipal corporation including software, Billing System and intellectual property. Confidential Information shall also include PHI as defined in Exhibit C - Business Associate Agreement. The LAFD recognizes that the CONTRACTOR may desire to protect information relating to its business from disclosure under the California Public Records Act under circumstances when the CITY determines that disclosure is otherwise appropriate. Therefore, the LAFD shall notify the CONTRACTOR of every California Public Records request, immediately upon receipt;

b. The CONTRACTOR must ensure that each individual sent on an assignment under this Agreement shall have executed a Confidentiality Agreement prior to commencing any assignment. CONTRACTOR agrees to provide the signed Confidentiality Agreement to the LAFD prior to commencing any assignment. The Confidentiality Agreement to be used is attached hereto as Exhibit D – Confidentiality Agreement. The CONTRACTOR is responsible for ensuring compliance with the Confidentiality Agreements;

c. CONTRACTOR shall protect the confidentiality of all patient records as set forth in State and/or Federal laws on confidentiality of medical records;

d. Unauthorized Disclosure. The recipient of any Confidential Information shall, upon discovery of any unauthorized use or disclosure of such Confidential Information by recipient, or any other breach of these confidentiality obligations by the recipient, fully cooperate with the disclosing party to assist the disclosing party regain possession of the Confidential Information and prevent the further unauthorized use or disclosure of the Confidential Information.

13.2 CONTRACTOR'S Interaction with the Media

CONTRACTOR shall refer all inquiries from the media to the LAFD, shall contact the LAFD, as soon as practical, to inform the LAFD of the inquiry, and shall comply with the procedures of the LAFD'S public affairs staff regarding statements to the media relating to this Agreement or CONTRACTOR's services hereunder.

13.3 Requirements Apply to All Subcontractors

The CONTRACTOR shall ensure that these requirements are provided to and apply to all Subcontractors of this Agreement.

13.4 Continued Requirements

The requirements of this Section survive termination of this Agreement.

14.0 INSURANCE

14.1 CONTRACTOR shall procure and maintain for the duration of this Agreement, the following insurance coverage:

a. Workers' Compensation insurance in compliance with the applicable state and federal laws, and not less than $1,000,000; and

b. General Liability insurance in an amount no less than $1,000,000 per occurrence and $2,000,000 aggregate; and

c. Coverage for business interruption, destruction of data processing equipment and media, liabilities affecting accounts receivable, and valuable documents in an amount no less than $5,000,000 aggregate; and

d. Liability coverage for all vehicles whether owned, hired or used in the amount of $1,000,000.

14.2 The policies are to contain, or be endorsed to contain, the following provisions:

a. General Liability and Automobile Liability Coverage

i. The LAFD, its officers, officials, employees and volunteers are to be covered as additional insured as respects: liability arising out of activities performed by or on behalf of the CONTRACTOR, including the insured general supervision of the CONTRACTOR; products and completed operations of the CONTRACTOR; premises owned, occupied or used by the CONTRACTOR; or automobiles owned, leased, hired or borrowed by the CONTRACTOR. The coverage shall contain no special limitations on the scope of protections afforded by the LAFD, its officers, officials, employees or volunteers; and

ii. CONTRACTOR's insurance coverage shall be primary insurance as respects the LAFD, its officers, officials, employees and volunteers. Any insurance of self-insurance maintained by the LAFD, its officers, officials, employees or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it. CONTRACTOR hereby waives subrogation rights for loss or damage against the LAFD; and

iii. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the LAFD, its officers, officials, employees or volunteers; and

iv. CONTRACTOR's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability; and

v. Companies issuing the insurance policy, or policies, shall have no recourse against the LAFD for payment of premiums or assessments for any deductibles which are all at the sole responsibility and risk of the CONTRACTOR.

b. All Coverage

i. Each insurance policy required by this Section shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the LAFD; and

ii. CONTRACTOR shall furnish the LAFD with certificates of insurance and with original endorsements effecting coverage required by this Section if requested. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the LAFD before work commences. The LAFD reserves the right to require complete, certified copies of all required insurance policies at any time; and

iii. Payment Withholding: Should any of CONTRACTOR or Subcontractor's required insurance lapse during the term of the Agreement, the CITY shall not process any requests for payments originating after such lapse until the CITY receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. CITY shall notify CONTRACTOR of any payment withholding and the reason for the withholding.

15.0 AGREEMENT TERMINATION

15.1 Termination for Convenience

The CITY may terminate this Agreement for the CITY's convenience at any time by giving CONTRACTOR at least ninety (90) days written notice thereof. Upon receipt of said notice, CONTRACTOR shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. The CITY shall pay CONTRACTOR its fees through the effective date of termination and those reasonable and necessary costs incurred by CONTRACTOR to affect such termination. Thereafter, CONTRACTOR shall have no further claims against the CITY under this Agreement. All finished and unfinished documents and materials procured for or produced under this Agreement, including all intellectual property rights thereto, shall become CITY property upon the date of such termination. CONTRACTOR

agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY's ownership of rights provided herein. CONTRACTOR may terminate this Agreement without cause upon six (6) months prior written notice to CITY.

15.2 Termination for Breach of Agreement

a. If CONTRACTOR fails to perform a material component of the provisions of this Agreement, the CITY may give CONTRACTOR written notice of a default. If CONTRACTOR does not cure such default or provide a plan to cure such default which is acceptable to the CITY within the time permitted by the CITY, then the CITY may terminate this Agreement due to CONTRACTOR's breach of this Agreement; and

b. If CONTRACTOR engages in any dishonest conduct related to the performance or administration of this Agreement or violates the CITY's lobbying policies, then the CITY may immediately terminate this Agreement; and

c. In the event the CITY terminates this Agreement as provided in Section 15.2 Termination for Breach of Agreement, Paragraphs a. and b. above, the CITY may procure, upon such terms and in such manner as the CITY may deem appropriate, services similar in scope and level of effort to those so terminated, and CONTRACTOR shall be liable to the CITY for all reasonable costs associated with the change; and

d. If CITY materially fails to perform any obligation required hereunder, and such default continues for thirty (30) calendar days after written notice from CONTRACTOR specifying the nature and extent of the failure to materially perform such obligation, this Agreement shall terminate upon the expiration of said thirty (30) calendar day period.

15.3 General

a. All finished or unfinished CITY documents and materials produced or procured under this Agreement, including all intellectual property rights thereto, shall become CITY property upon date of such termination and returned to the CITY promptly. CONTRACTOR agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY's ownership of rights provided herein; and

b. If, after notice of termination of this Agreement under the provisions of this section, it is determined for any reason that CONTRACTOR was not in default under the provisions of this section, or that the default was excusable under the terms of this Agreement, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 15.1 Termination for Convenience, above; and

c. The rights and remedies of either party provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement; and

d. The amount due to the CONTRACTOR by reason of termination shall be determined as follows:

   i. If the termination is for the CITY's convenience, the CONTRACTOR will be paid in accordance with Section 9.0 Compensation and Method of Payment of this Agreement; and

   ii. If the termination is for the CONTRACTOR's default, the total sum payable to the CONTRACTOR will be determined in accordance with Section 9.0 Compensation and Method of Payment of this Agreement. The CITY, however, may retain from said payment an amount equal to any additional costs incurred by the CITY in completing that part of the work that is in default.

16.0 LIMITATION OF LIABILITY

With regard to professional negligence, it is agreed that CONTRACTOR's liability will not exceed $20,000,000 for the six (6) year term the Agreement remains in full force and effect. CONTRACTOR will not be liable to CITY in the event of CITY's, its employees and its director's gross negligence, willful misconduct or violation of any laws and regulations. In no event will either party be liable to the other for any special or consequential damages. Notwithstanding the foregoing, and notwithstanding any other provision of this Agreement to the contrary, no limitation of liability or limitation of warranty or disclaimer shall be applicable to CONTRACTOR's breach of its obligations under Exhibit A - Standard Provisions for City Contracts, or to a party's breach of its obligations under Section 10 – Performance Penalty and/or Exhibit C - Business Associate Agreement, it being the intent of the respective parties that the breaching party remain fully liable therefore.

17.0 STANDARD PROVISIONS

With the exceptions of PSCs 9, 16 and 23, the CONTRACTOR shall comply with the applicable requirements of the Standard Provisions for City Contracts (Rev. 10/21)[v.4], attached hereto as Exhibit A and incorporated herein by reference.

18.0 DISCLOSURE OF BORDER WALL CONTRACTING ORDINANCE

CONTRACTOR shall comply with the Los Angeles Administrative Code Section 10.50 et seq., 'Disclosure of Border Wall Contracting.' The CITY may terminate this Contract at any time if the CITY determines that CONTRACTOR failed to fully and accurately complete the required affidavit and disclose all Border Wall Bids and Border Wall Contracts, as defined in LAAC Section 10.50.1.

19.0 ENTIRE AGREEMENT

This Agreement contains the full and complete Agreement between the parties. No verbal agreement or conversation with any officer or employees of either party will affect or modify any of the terms and conditions of this Agreement.

20.0 ORDER OF PRECEDENCE

This Agreement, and any attachments, exhibits or documents incorporated herein by inclusion or reference, constitutes the complete and entire Agreement between the City and Contractor. In the event of any inconsistency between the body of this Agreement and attachments or exhibits, the order of precedence will be as follows:

1. This Agreement between the City of Los Angeles and Advanced Data Processing, Inc.
2. Exhibit A - Standard Provisions for City Contracts
3. Exhibit B - Fee Schedule
4. Exhibit C - Business Associate Agreement
5. Exhibit D - Confidentiality Agreement

21.0 COUNTERPARTS/ELECTRONIC SIGNATURES

This Agreement may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by City) and sent by e-mail shall be deemed original signatures.

[Signature page follows]

IN WITNESS THEREOF, the parties hereto have caused this Restatement and Second Amendment to Agreement No. C-118005 to be executed by their duly authorized representatives.

Approved Corporate Signature Methods:

a. Two signatures: One by Chairman of Board of Directors, President, or Vice-President; AND one by Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer.

b. One signature by corporate designated individual together with properly attested resolution of Board of Directors authorizing person to sign on the company's behalf.

FOR: THE CITY OF LOS ANGELES

By: _____ Date: _____
KRISTIN M. CROWLEY
Fire Chief
Los Angeles Fire Department

FOR: ADVANCED DATA PROCESSING, Inc.,
A Delaware Corporation, A subsidiary of Digitech Computer LLC

By: _____ Date: _____
MARK SCHIOWITZ
President & Chief Executive Officer

By: _____ Date: _____
SHAWN SAYLOR
Chief Financial Officer

APPROVED AS TO FORM:
MICHAEL N. FEUER, City Attorney

By:_____
SAMUEL W. PETTY
Deputy City Attorney

Date: _____

ATTEST:
HOLLY L. WOLCOTT

By: _____
Deputy City Clerk

Date: _____

Agreement No. C-118005-3

EXHIBIT A:

STANDARD PROVISIONS FOR CITY CONTRACTS

STANDARD PROVISIONS FOR CITY CONTRACTS

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STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. Construction of Provisions and Titles Herein

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions of this Contract. The language of this Contract shall be construed according to its fair meaning and not strictly for or against **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" includes the party or parties identified in this Contract. The singular shall include the plural and if there is more than one **CONTRACTOR**, unless expressly stated otherwise, their obligations and liabilities shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC-2. Applicable Law, Interpretation and Enforcement

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Contract shall not be affected.

PSC-3. Time of Effectiveness

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR**;

B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;

C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and

D. This Contract has been signed on behalf of **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-4. Integrated Contract

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of PSC-5 hereof.

PSC-5. Amendment

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-3.

PSC-6. Excusable Delays

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of **CONTRACTOR** shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them. In such case, **CONTRACTOR** shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit **CONTRACTOR** to perform timely. As used in this Contract, the term "Subcontractor" means a subcontractor at any tier.

In the event **CONTRACTOR'S** delay or failure to perform arises out of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

PSC-7. Waiver

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-8. Suspension

At **CITY'S** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon receipt of the notice of suspension, **CONTRACTOR** shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services.

PSC-9. Termination

A. Termination for Convenience

CITY may terminate this Contract for **CITY'S** convenience at any time by providing **CONTRACTOR** thirty days written notice. Upon receipt of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination. Thereafter, **CONTRACTOR** shall have no further claims against **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights **CITY** is entitled to, shall become **CITY** property upon the date of the termination. **CONTRACTOR** agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in PSC-6, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may give **CONTRACTOR** written notice of the default. **CITY'S** default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of **CITY**. Additionally, **CITY'S** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the default, which shall be submitted to **CITY** within the time period allowed by **CITY**. At **CITY'S** sole discretion, **CITY** may accept or reject **CONTRACTOR'S** plan. If the default cannot be cured or if **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.

2. If the default under this Contract is due to **CONTRACTOR'S** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of

services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY'S** requirements.

3. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then **CITY** may immediately terminate this Contract.

4. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates **CITY'S** laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate this Contract.

5. Acts of Moral Turpitude

   a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").

   b. If **CONTRACTOR** or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, **CITY** may immediately terminate this Contract.

   c. If **CONTRACTOR** or a Key Person is charged with or indicted for an Act of Moral Turpitude, **CITY** may terminate this Contract after providing **CONTRACTOR** an opportunity to present evidence of **CONTRACTOR'S** ability to perform under the terms of this Contract.

   d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.

6. In the event **CITY** terminates this Contract as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to **CITY** for all of its costs and damages, including, but not limited to, any excess costs for such services.

7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-9(A) Termination for Convenience.

8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

C. In the event that this Contract is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Contract within five working days of the termination.

PSC-10. Independent Contractor

CONTRACTOR is an independent contractor and not an agent or employee of **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **CITY**.

PSC-11. Contractor's Personnel

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. **CITY** has the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** shall remove personnel from performing work under this Contract if requested to do so by **CITY**.

CONTRACTOR shall not use Subcontractors to assist in performance of this Contract without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Contract and paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR'S** Subcontractors, and **CITY** reserves the right to request replacement of any

Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR'S** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

PSC-12. Assignment and Delegation

CONTRACTOR may not, unless it has first obtained the written permission of **CITY**:

A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or

B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

PSC-13. Permits

CONTRACTOR and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance of this Contract. **CONTRACTOR** shall immediately notify **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to **CONTRACTOR'S** performance of this Contract.

PSC-14. Claims for Labor and Materials

CONTRACTOR shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

PSC-15. Current Los Angeles City Business Tax Registration Certificate Required

For the duration of this Contract, **CONTRACTOR** shall maintain valid Business Tax Registration Certificate(s) as required by **CITY'S** Business Tax Ordinance, Section 21.00 *et seq*. of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

PSC-16. Retention of Records, Audit and Reports

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract or (3) termination of this Contract. The records will be subject to examination and audit by authorized **CITY** personnel or **CITY'S** representatives at any time. **CONTRACTOR** shall provide any reports requested by **CITY** regarding

performance of this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY'S** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract.

PSC-17. Bonds

All bonds required by **CITY** shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 *et seq*., as amended from to time.

PSC-18. Indemnification

Except for the active negligence or willful misconduct of **CITY**, or any of its boards, officers, agents, employees, assigns and successors in interest, **CONTRACTOR** shall defend, indemnify and hold harmless **CITY** and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by **CONTRACTOR,** Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-19. Intellectual Property Indemnification

CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the **CITY**, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its Subcontractors, in performing the work under this Contract; or (2) as a result of **CITY'S** actual or intended use of any Work Product (as defined in PSC-21) furnished by **CONTRACTOR**, or its Subcontractors, under this Contract. The rights and remedies of **CITY** provided in this section shall not be exclusive

and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-20. Intellectual Property Warranty

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

PSC-21. Ownership and License

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Contract including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by **CONTRACTOR** or its Subcontractors under this Contract (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for **CITY** toperfect, memorialize, or record **CITY'S** ownership of rights provided herein.

CONTRACTOR agrees that a monetary remedy for breach of this Contract may be inadequate, impracticable, or difficult to prove and that a breach may cause **CITY** irreparable harm. **CITY** may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude **CITY** from seeking or obtaining any other relief to which **CITY** may be entitled.

For all Work Products delivered to **CITY** that are not originated or prepared by **CONTRACTOR** or its Subcontractors under this Contract, **CONTRACTOR** shall secure a grant, at no cost to **CITY**, for a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract shall include this provision to contractually bind its Subcontractors performing work under this Contract such that **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein.

PSC-22. Data Protection

A. **CONTRACTOR** shall protect, using the most secure means and technology that is commercially available, **CITY**-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the "City Data"). **CONTRACTOR** shall notify **CITY** in writing as soon as reasonably feasible, and in any event within twenty-four hours, of **CONTRACTOR'S** discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. **CONTRACTOR** shall begin remediation immediately. **CONTRACTOR** shall provide daily updates, or more frequently if required by **CITY**, regarding findings and actions performed by **CONTRACTOR** until the Data Breach or Security Incident has been effectively resolved to **CITY'S** satisfaction. **CONTRACTOR** shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with **CITY**. At **CITY'S** sole discretion, **CITY** and its authorized agents shall have the right to lead or participate in the investigation. **CONTRACTOR** shall cooperate fully with **CITY**, its agents and law enforcement.

B. If **CITY** is subject to liability for any Data Breach or Security Incident, then **CONTRACTOR** shall fully indemnify and hold harmless **CITY** and defend against any resulting actions.

PSC-23. Insurance

During the term of this Contract and without limiting **CONTRACTOR'S** obligation to indemnify, hold harmless and defend **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit 1 hereto). The insurance must: (1) conform to **CITY'S** requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-24. Best Terms

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the best terms, prices, and discounts that are offered to any of **CONTRACTOR'S** customers for similar goods and services provided under this Contract.

PSC-25. Warranty and Responsibility of Contractor

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

PSC-26. Mandatory Provisions Pertaining to Non-Discrimination in Employment

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.

B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.

C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Equal Employment Practices" provisions of this Contract.

D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Affirmative Action Program" provisions of this Contract.

Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-27. Child Support Assignment Orders

CONTRACTOR shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, **CONTRACTOR** shall fully comply with all applicable State and Federal employment reporting requirements. Failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract. Failure of **CONTRACTOR** or principal owner to cure

the default within 90 days of the notice of default will subject this Contract to termination for breach. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-28. Living Wage Ordinance

CONTRACTOR shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. **CONTRACTOR** further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-29. Service Contractor Worker Retention Ordinance

CONTRACTOR shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-30. Access and Accommodations

CONTRACTOR represents and certifies that:

A. **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;

B. **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;

C. **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities;

D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and

E. The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

CONTRACTOR understands that **CITY** is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-31. Contractor Responsibility Ordinance

CONTRACTOR shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq*., as amended from time to time.

PSC-32. Business Inclusion Program

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Business Assistance Virtual Network ("BAVN") at https://www.labavn.org/, to perform and document outreach to Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall perform subcontractor outreach activities through BAVN. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of **CITY**.

PSC-33. Slavery Disclosure Ordinance

CONTRACTOR shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-34. First Source Hiring Ordinance

CONTRACTOR shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-35. Local Business Preference Ordinance

CONTRACTOR shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-36. Iran Contracting Act

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with **CITY** for goods and services estimated at $1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

PSC-37. Restrictions on Campaign Contributions and Fundraising in City Elections

Unless otherwise exempt, if this Contract is valued at $100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR'S** principals, and **CONTRACTOR'S** Subcontractors expected to receive at least $100,000 for performance under the Contract, and the principals of those Subcontractors (the "Restricted Persons")

shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles **CITY** to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected **CITY** officials or candidates for elected **CITY** office for twelve months after this Contract is signed. Additionally, a **CONTRACTOR** subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any **CONTRACTOR** subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least $100,000 for performance under this Contract:

> "Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections
>
> You are a subcontractor on City of Los Angeles Contract # _____. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles ("**CITY**") officials and candidates for elected **CITY** office for twelve months after the **CITY** contract is signed. You are required to provide the names and contact information of your principals to the **CONTRACTOR** and to amend that information within ten business days if it changes during the twelve month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960."

PSC-38. Contractors' Use of Criminal History for Consideration of Employment Applications

CONTRACTOR shall comply with the City Contractors' Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq*., as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-39. Limitation of City's Obligation to Make Payment to Contractor

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for **CITY** to comply with its governing legal requirements, **CITY** shall have no obligation to make any payments to **CONTRACTOR** unless **CITY** shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. **CONTRACTOR** agrees that any services provided by **CONTRACTOR**, purchases made by **CONTRACTOR** or expenses incurred by **CONTRACTOR** in excess of the appropriation(s) shall be free and without charge to **CITY** and **CITY** shall have no obligation to pay for the services, purchases or expenses. **CONTRACTOR** shall have no obligation to provide any services,

provide any equipment or incur any expenses in excess of the appropriated amount(s) until **CITY** appropriates additional funds for this Contract.

PSC-40. Compliance with Identity Theft Laws and Payment Card Data Security Standards

CONTRACTOR shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act ("FACTA"), including its requirement relating to the content of transaction receipts provided to Customers. **CONTRACTOR** also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards ("PCI DSS"). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA.

PSC-41. Compliance with California Public Resources Code Section 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, **CONTRACTOR** shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by **CITY**. **CONTRACTOR** is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of **CONTRACTOR** working on premises to pass a fingerprint and background check through the California Department of Justice at **CONTRACTOR'S** sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

PSC-42. Possessory Interests Tax

Rights granted to **CONTRACTOR** by **CITY** may create a possessory interest. **CONTRACTOR** agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, **CONTRACTOR** shall pay the property tax. **CONTRACTOR** acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

PSC-43. Confidentiality

All documents, information and materials provided to **CONTRACTOR** by **CITY** or developed by **CONTRACTOR** pursuant to this Contract (collectively "Confidential Information") are confidential. **CONTRACTOR** shall not provide or disclose any Confidential Information or their contents or any information therein, either orally or in writing, to any person or entity, except as authorized by **CITY** or as required by law. **CONTRACTOR** shall immediately notify **CITY** of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Contract.

PSC-44. COVID-19

Employees of Contractor and/or persons working on its behalf, including, but not limited to, subcontractors (collectively, "Contractor Personnel"), while performing services under this Agreement and prior to interacting in person with City employees, contractors, volunteers, or members of the public (collectively, "In-Person Services") must be fully vaccinated against the novel coronavirus 2019 ("COVID-19"). "Fully vaccinated" means that 14 or more days have passed since Contractor Personnel have received the final dose of a two-dose COVID-19 vaccine series (Moderna or Pfizer-BioNTech) or a single dose of a one-dose COVID-19 vaccine (Johnson & Johnson/Janssen) and all booster doses recommended by the Centers for Disease Control and Prevention. Prior to assigning Contractor Personnel to perform In-Person Services, Contractor shall obtain proof that such Contractor Personnel have been fully vaccinated. Contractor shall retain such proof for the document retention period set forth in this Agreement. Contractor shall grant medical or religious exemptions ("Exemptions") to Contractor Personnel as required by law. If Contractor wishes to assign Contractor Personnel with Exemptions to perform In-Person Services, Contractor shall require such Contractor Personnel to undergo weekly COVID-19 testing, with the full cost of testing to be borne by Contractor. If Contractor Personnel test positive, they shall not be assigned to perform In-Person Services or, to the extent they have already been performing In-Person Services, shall be immediately removed from those assignments. Furthermore, Contractor shall immediately notify City if Contractor Personnel performing In-Person Services (1) have tested positive for or have been diagnosed with COVID-19, (2) have been informed by a medical professional that they are likely to have COVID-19, or (3) meet the criteria for isolation under applicable government orders.

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

1. Additional Insured/Loss Payee. The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

2. Notice of Cancellation. All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

3. Primary Coverage. CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

4. Modification of Coverage. The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

5. Failure to Procure Insurance. All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

6. Workers' Compensation. By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq*., of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-3, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Form Gen. 146 (Rev. 6/12)

Required Insurance and Minimum Limits

Name: Advanced Data Processing, Inc. (a subsidiary of Digitech Computer LLC) Date: 02/10/2022

Agreement/Reference: Emergency Medical Services System

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

✔ **Workers' Compensation (WC) and Employer's Liability (EL)**

WC *Statutory*

EL 1,000,000

☐ Waiver of Subrogation in favor of City

☐ Longshore & Harbor Workers

☐ Jones Act

✔ **General Liability** $1,000,000 per occurrence/$2,000,000 aggregate.City must be named as additional insured — 1,000,000

☒ Products/Completed Operations

☐ Sexual Misconduct

☐ Fire Legal Liability

☐

✔ **Automobile Liability** (for any and all vehicles used for this contract, other than commuting to/from work) — 1,000,000

✔ **Professional Liability** (Errors and Omissions) — 5,000,000

Discovery Period See note #1

Property Insurance (to cover replacement cost of building - as determined by insurance company)

☐ All Risk Coverage

☐ Flood

☐ Earthquake

☐ Boiler and Machinery

☐ Builder's Risk

☐

☐

Surety Bonds - Performance and Payment (Labor and Materials) Bonds

Crime Insurance

Other: Submitted to Cyndi Del Poso 213-978-3746 on February 10, 2022

1. Coverage to include Fiduciary Liability (if applicable), Errors & Omissions, Cyber Liability and Data Breach.

EXHIBIT B:

FEE SCHEDULE

1. Base Fee:

   a. The Base Fee shall be
      - 5.0% of Net Collections for the period 11/1/2010 through 4/30/2011
      - 5.4% of Net Collections for the period 5/1/2011 through 4/30/2012
      - 5.3% of Net Collections for the period 5/1/2012 through 12/31/2016
      - 5.1% of Net Collections for the period 1/1/2017 onward

   b. In accordance with Senate Bill No. 523 (Chapter 773, Statutes of 2017) and subject to approval from the Centers for Medicare and Medicaid Services (CMS), the Department of Health Care Services (DHCS) established the Quality Assurance Fee (QAF) program and imposed a quality assurance fee (QAF) on each emergency medical transport provided by an emergency medical transport provider effective July 1, 2018. With the fees collected from the QAF program, DHCS would add-on an additional reimbursement to eligible Medi-Cal transports.

      The base fee for accounts in the QAF program shall be net of the additional add-on reimbursement to eligible Medi-Cal transports less the QAF fees imposed on the LAFD for each emergency medical transport.

   c. $.75 per Notice of Privacy Practices sent to patients as more specifically described Section 6.6, Billing and Collection of Payments, in the Agreement.

2. Net Collections:

   a. "Net Collections" is the amount of money collected on a monthly basis, reduced or increased by refunds, check deposits with non-sufficient funds (NSF), and any other applicable Adjustment(s).

   b. Net Collections due to CONTRACTOR is subject to provisions of Performance Guarantee required under this agreement.

   c. Any amounts collected by third party collection services will not be included in Net Collections.

3. Adjustment:

   An adjustment reduces or increases the amount of fees collected from a patient or his insurer(s), due to one or more of the following occurrences:

   a. The correction of a clerical error;

b. The acceptance of reduced fees pursuant to requirements established under Medi-Cal, Medicare and Worker's Compensation laws, as amended from time to time;

c. The grant of an exemption pursuant to California Code Section 13957;

d. The grant of an exemption pursuant to Los Angeles Administrative Code Section 22.210.2 as amended from time to time;

e. The grant of an exemption pursuant to United States Code Section 4006, as amended from time to time;

f. The grant of an exemption pursuant to Los Angeles County Contract Number 61959;

g. The grant of an exemption for Veterans pursuant to U.S. Department of Treasury Code;

h. A reduction in transport fee as a result of a court order or settlement of litigation;

i. Any other lawful reduction or increase in the fee collected from the patient or his insurer(s), which is approved in writing by the LAFD.

EXHIBIT C:

BUSINESS ASSOCIATE AGREEMENT

EXHIBIT C

BUSINESS ASSOCIATE AGREEMENT
BETWEEN
THE CITY OF LOS ANGELES
AND
ADVANCED DATA PROCESSING, INC. (a subsidiary of Digitech Computer LLC)
FOR EMERGENCY MEDICAL SERVICES SYSTEM (EMSS)
TO COMPLY WITH THE PRIVACY AND SECURITY RULES REQUIRED UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) OF 1996

This **Business Associate Agreement** (the "Agreement"), is made as of the ____ day of _____, 2022, (the "Effective Date"), by and between the City of Los Angeles (a designated "Hybrid Entity" by and through its Fire Department ("LAFD"), a designated "Health Care Component" of "Hybrid Entity" City of Los Angeles) (jointly "Covered Entity") and Advanced Data Processing, Inc. (a subsidiary of Digitech Computer LLC) (the "Business Associate") (collectively the "Parties") to comply with the privacy and security standards required under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), adopted by the U.S. Department of Health and Human Services and as amended January 25, 2013, [45 C.F.R. Parts 160, 162 and 164; Volume 78 Fed. Reg. No. 17, Pages 5566 through 5702, January 23, 2013] and, in order to satisfy the electronic storage requirements of the Health Information Technology for Economic and Clinical Health Act as incorporated in the American Recovery and Reinvestment Act of 2009 (hereinafter referred to as "HITECH"), and any applicable state confidentiality laws.

RECITALS

WHEREAS, Business Associate ("BA") will provide primary and/or secondary collection services as stipulated in the Contract;

WHEREAS, the Covered Entity ("CE") and BA have entered into the Contract under which the CE will need to disclose to BA certain "Protected Health Information" ("PHI") that is subject to protection under HIPAA and HITECH;

WHEREAS, HIPAA requires that CE receive adequate assurances that BA will comply with certain obligations with respect to the PHI received in the course of providing services to or on behalf of CE;

NOW THEREFORE, in consideration of the mutual promises and covenants herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

A. DEFINITIONS

Terms used in this Agreement, but not otherwise defined, shall have the meaning ascribed by the HIPAA Final Regulations and the HITECH Act, as amended as of January 23, 2013.

1. **Breach** means the acquisition, access, use, or disclosure of protected health information in a manner not permitted under subpart E of 45 C.F.R. Part 164.

2. **Business Associate** ("BA") shall have the meaning ascribed in 45 C.F.R. §160.103 and refers to Advanced Data Processing, Inc. (a subsidiary of Digitech Computer LLC) for purposes of this Agreement.

3. **Contract** means Los Angeles City Contract Number C-118005 and all amendments by and between the City of Los Angeles ("City") and Advanced Data Processing, Inc. (a subsidiary of Digitech Computer LLC) which includes, performing the activities related to primary and/or secondary collection services.

4. **Covered Entity** ("CE") means the City of Los Angeles (a designated "Hybrid Covered Entity" by and through its Fire Department, a designated "Health Care Component" of "Hybrid Entity" City of Los Angeles).

5. **Designated Record Set** means a group of records maintained by or for a Covered Entity that are: (i) medical records about individuals maintained by or for a covered health care provider; (ii) the enrollment, payment, claims adjudication, and case or medical management record system maintained by or for a health plan; and/or (iii) used, in whole or in part, by or for the Covered Entity to make decisions about individuals. For purposes of this definition, the term "record" means any item, collection, or grouping of information that includes protected health information and is maintained, collected, used, or disseminated by or for a Covered Entity.

6. **Health Care Component** ("HCC") means those portions of the Hybrid Entity that perform HIPAA-related activities. The Los Angeles Fire Department (LAFD) became a HCC by the Los Angeles City Council action which adopted the recommendation of the Personnel Committee meeting on July 30, 2010 [Council File No. 10-1181] or as modified [Council File No. R3-0240; August 16, 2013].

7. **HITECH Act** ("HITECH") means the Health Information Technology for Economic and Clinical Health Act, which is Title XIII of the American Recovery and Reinvestment Act, and any amendments, regulations, rules and guidance issued thereto and the relevant dates for compliance.

8. **HIPAA Final Regulations** means 45 C.F.R. Parts 160, 162 and 164 as amended on January 23, 2013 and effective on March 23, 2013 but only to the extent it allies to a Covered Entity, Hybrid Entity and/or Business Associate.

9. **Hybrid Entity** ("HE") means, for purposes of this Agreement, the City

of Los Angeles, a single legal municipal entity that is (i) a Covered Entity; (ii) whose business activities include both covered and non-covered HIPAA functions; and (iii) that has designated its LAFD, along with other portions of the City of Los Angeles, as a HHCs pursuant to 45 C.F.R. §160.103.

10. **Individual** means the person who is the subject of the Protected Health Information as defined in 45 C.F.R. §160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. §502(g).

11. **Protected Health Information** ("PHI") means the Individually Identifiable Health Information ("IIHI") described in 45 C.F.R. §160.103 that is transmitted electronically, maintained electronically, or transmitted or maintained in any other form or medium.

12. **Required by Law** means the mandate contained in law that compels a use or disclosure of PHI under 45 C.F.R. §164.512(a) (1) and (2).

13. **Secretary** means the Secretary of the Department of Health and Human Services or their designee under 45 C.F.R. §160.103.

14. **Security Incident** any use or disclosure of information not provided for by this "Agreement" of which the BA becomes aware, including breaches of unsecured protected health information as defined by 45 C.F.R. §164.402.

15. **Subcontractor** means a person or entity that, creates, receives, maintains or transmits protected health information on behalf of the business associate. (45 C.F.R. §160.103(3)(iii))

B. DISCLOSURE OF PHI TO BUSINESS ASSOCIATE

In connection with the services provided by BA to or on behalf of CE, described in this Agreement, CE may disclose PHI to BA for the purpose of automating emergency medical service billing system and outsourcing primary and/or secondary collection services provided to CE. Other than that which is required to complete the services described in this Agreement, and permissible under HIPAA, HITECH, and other related laws, BA shall not use and disclose PHI or other related documents to any 3rd party.

BA shall comply with its obligations under this Agreement and with all obligations of a BA under HIPAA, HITECH, and other related laws and any implementing regulations, as they exist at the time this Agreement is executed and as they are amended, for so long as this Agreement is in place. Specifically, the BA will comply with all the obligations and assume the liability for failure to do so as provided for in the Final

Rules reflected in the Federal Register, Vol. 78, No. 17, commencing at Page 5677, dated, January 25, 2013 which implements among other things Section 13401 of HITECH.

C. OBLIGATIONS OF COVERED ENTITY

1. CE shall notify BA of any limitation(s) in its Notice of Privacy Practices of Covered Entity in accordance with 45 C.F.R. §164.520, to the extent that such limitation may affect BA's use or disclosure of PHI.

2. CE shall notify BA of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect BA's use or disclosure of PHI.

3. CE shall notify BA of any restriction to the use or disclosure of PHI that CE has agreed to in accordance with 45 C.F.R. §164.522, to the extent that such restriction may affect BA's use or disclosure of PHI.

4. CE shall not request BA to use or disclose PHI in any manner that would not be permissible under HIPAA if done by CE. [45 C.F.R. §164.504(e)(2)(i)]

5. CE will make a determination as to whether a use or disclosure of PHI by BA is a Breach within the meaning of 45 C.F.R. §164.402 necessitating notification under 45 C.F.R. §164.404, 164.406 and 164.408.

D. OBLIGATIONS OF BUSINESS ASSOCIATE

BA agrees to comply with applicable federal and state privacy and security laws, specifically the provisions of the HIPAA Administrative Simplification to the extent applicable to business associates.

1. Use and Disclosure of PHI. Except as otherwise permitted by this Agreement or applicable law, BA shall not use or disclose PHI other than as permitted or required by the Agreement or as Required By Law, except as necessary to conduct the practices of the LAFD as described in this Agreement and the Contract to or on behalf of the CE. These activities may include the transmitting or receiving of PHI, as may be required from time to time, to other business associates or covered entities on behalf of CE. BA shall not use or disclose PHI that would violate the HIPAA Rules if used or disclosed by CE. Provided, however, BA may use and disclose PHI as necessary for the proper management and administration of BA, or to carry out its legal responsibilities. BA shall in such cases:

   (a) Provide information to members of its workforce using or disclosing PHI regarding the confidentiality requirements of the HIPAA

Final Rules and this Agreement;

(b) Obtain reasonable assurances from the person or entity to whom the PHI is disclosed that: (i) the PHI will be held confidential and further used and disclosed only as Required by Law or for the purpose for which it was disclosed to the person or entity; and (ii) the person or entity will notify BA of any instances of which it is aware in which confidentiality of the PHI has been breached;

(c) Notification to Covered Entity. Agree to notify the designated Privacy Officer of CE of any instances of which it is aware in which the PHI is used or disclosed for a purpose that is not otherwise provided for in this Agreement or for a purpose not expressly permitted by the HIPAA Rules within 48 hours of discovery of the improper use or disclosure. The determination as to whether a use or disclosure for a purpose not provided for by this Agreement is a Breach within the meaning of 45 C.F.R. §164.402 shall be determined by the CE using the criteria determined in 45 C.F.R. §164.402 (2)(i)-(iv) after BA notifies CE of the use or disclosure of the PHI;

(d) Breach Notification. BA agrees to follow 45 C.F.R. §164.410 after first notifying CE of the use or disclosure not provided by this Agreement and CE makes a determination that a breach has occurred pursuant to paragraph C(5) of this Agreement; and

(e) For purposes of the Breach Notification provision in 45 C.F.R. §164.410, BA in this Agreement is **not** the agent of CE.

2. Data Aggregation. In the event that BA works for more than one covered entity, BA is not permitted to use and disclose PHI for data aggregation purposes, however, only in order to analyze data for permitted health care operations, and only to the extent that such use is permitted under the HIPAA Administrative Simplification.

3. De-identified Information. BA may use and disclose de-identified health information if (i) the use is disclosed to CE in writing and permitted in writing by CE in its sole discretion and (ii) the de-identification is in compliance with 45 C.F.R. §164.502(d), and the de-identified health information meets the standard and implementation specifications for de-identification under 45 C.F.R. §164.514(a) and (b).

4. Safeguards. BA shall maintain appropriate safeguards to ensure that PHI is not used or disclosed other than as provided by this Agreement or as required by law. BA shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any electronic PHI it creates, receives,

maintains, or transmits on behalf of CE.

5. Minimum Necessary. BA shall attempt to ensure that all uses and disclosures of PHI which pertain to the billing or operations of the CE are subject to the principle of "minimum necessary use and disclosure," i.e., that only PHI that is the minimum necessary to accomplish the intended purpose of the use, disclosure, or request is used or disclosed.

6. Disclosure to Agents and Subcontractors. If BA discloses PHI received from CE, to agents, including a subcontractor, BA shall require the agent or subcontractor to agree to the same restrictions and conditions as apply to BA under this Agreement. BA shall ensure that any agent, including a subcontractor, agrees to implement reasonable and appropriate safeguards to protect the confidentiality, integrity, and availability of the PHI that it creates, receives, maintains, or transmits on behalf of the CE. BA shall be liable to CE for any acts, failures or omissions of the agent or subcontractor in providing the services as if they were BA's own acts, failures or omissions, to the extent permitted by law. BA further expressly warrants that its agents or subcontractors will be specifically advised of, and will comply in all respects with, the terms of this Agreement.

7. Individual Rights Regarding Designated Record Sets. If BA maintains a Designated Record Set on behalf of CE, BA agrees as follows:

(a) Individual Right to Copy or Inspection. BA agrees that if it maintains a Designated Record Set for CE that is not maintained by CE, it will, in the event any Individual delivers directly to BA a request for access to PHI, in order for CE to respond to such Individual, forward such request to CE in order to meet the requirements of 45 C.F.R. §164.524(a)(1). Under the HIPAA Final Rules, CE is required to take action on such requests as soon as possible, but not later than 30 days following receipt of the request. [45 C.F.R. §164.524(b)(2).] BA agrees to make reasonable efforts to assist CE in meeting this deadline. The information shall be provided in the form or format requested if it is readily producible in such form or format; or in summary, if the Individual has agreed in advance to accept the information in summary form. A reasonable, cost-based fee for copying health information may be charged. If CE maintains the requested records, CE, rather than BA shall permit access according to its policies and procedures implementing the HIPAA Administrative Simplification.

(b) Individual Right to Amendment. BA agrees, if it maintains PHI in a Designated Record Set, to make the Designated Record Set available to CE for amendments to PHI pursuant to 45 C.F.R. §164.526.

(c) Accounting of Disclosures. BA agrees to maintain

documentation of the information required to provide an accounting of disclosures of PHI in accordance with 45 C.F.R. §164.528, and to make this information available to CE upon CE's request, in order to allow CE to respond to an Individual's request for accounting of disclosures. Under the HIPAA Final Rules, CE is required to take action on such requests as soon as possible but not later than 60 days following receipt of the request. BA agrees to use its best efforts to assist CE in meeting this deadline. Such accounting must be provided without cost to the individual or CE if it is the first accounting requested by an individual within any 12 month period; however, a reasonable, cost-based fee may be charged for subsequent accountings if BA informs the CE in advance of the fee and is afforded an opportunity to withdraw or modify the request. Such accounting is limited to disclosures that were made in the **six (6)** years prior to the request (not including disclosures prior to the compliance date of the HIPAA Administrative Simplification and shall be provided for as long as BA maintains the PHI.

8. Internal Practices, Policies and Procedures. Except as otherwise specified herein, BA shall make available its internal practices, policies and procedures relating to the use and disclosure of PHI, received from or on behalf of CE to the Secretary or his or her agents for the purpose of determining CE's compliance with the HIPAA Rules, or any other health oversight agency, or to CE. Records requested that are not protected by an applicable legal privilege will be made available in the time and manner specified by CE or the Secretary.

9. Notice of Privacy Practices. BA shall abide by the limitations of CE's Notice of which it has knowledge. Any use or disclosure permitted by this Agreement may be amended by changes to CE's Notice; provided, however, that the amended Notice shall not affect permitted uses and disclosures on which BA relied prior to receiving notice of such amended Notice.

10. Withdrawal of Authorization. If the use or disclosure of PHI in this Agreement is based upon an Individual's specific authorization for the use or disclosure of his or her PHI, and the Individual revokes such authorization, the effective date of such authorization has expired, or such authorization is found to be defective in any manner that renders it invalid, BA shall, if it has notice of such revocation, expiration, or invalidity, cease the use and disclosure of the Individual's PHI except to the extent it has relied on such use or disclosure, of if an exception under the HIPAA Administrative Simplification expressly applies.

11. Knowledge of HIPAA Rules. BA agrees to review and understand the HIPAA Rules as it applies to BA, and to comply with the applicable requirements of the HIPAA Rule, as well as any applicable amendments.

12. Security Incident. BA agrees to immediately report to the CE any security incident of which BA becomes aware within 48 hours of discovery of the security incident.

E. TERM AND TERMINATION

1. Term. The Term of this Agreement shall be effective as of the Effective Date of the Contract, and shall terminate when all of the PHI provided by CE to BA, or created or received by BA on behalf of CE, is destroyed or returned to CE, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.

2. Termination for Cause. Upon CE's knowledge of a material breach by BA, CE shall either:

   (a) Provide an opportunity for BA to cure the breach or end the violation and terminate this Agreement and the Contract if BA does not cure the breach or end the violation within the time specified by CE;

   (b) Immediately terminate this Agreement and the Contract if BA has breached a material term of this Agreement and cure is not possible; or

   (c) If neither termination nor cure is feasible, CE shall report the violation to the Secretary.

3. Effect of Termination.

   (a) Except as provided in paragraph (b) of this section, upon termination of this Agreement, for any reason, BA shall return or destroy all PHI received from CE, or created or received by BA on behalf of CE. This provision shall apply to PHI that is in the possession of subcontractors or agents of BA. BA shall retain no copies of the PHI and shall confirm, in writing, to the CE that all PHI has been returned to the CE or destroyed and, state the method of destruction.

   (b) In the event that BA determines that returning or destroying the PHI is infeasible, BA shall provide to CE written notification of the conditions that make return or destruction infeasible. Upon discovering that return or destruction of PHI is infeasible, BA shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as BA maintains such PHI.

F. MISCELLANEOUS

1. Indemnification.

(a) To the extent permitted by law, BA agrees to indemnify and hold harmless CE from and against all claims, demands, liabilities, judgments or causes of action of any nature for any relief, elements of recovery or damages recognized by law (including, without limitation, attorney's fees, defense costs, and equitable relief), for any damage or loss incurred by CE arising out of, resulting from, or attributable to any acts or omissions or other conduct of BA or its agents in connection with the performance of BA's or its agents' and/or subcontractor's duties under this Agreement including and not limited to the cost of breach notification under Paragraph D.1.(d) of this Agreement. This indemnity shall not be construed to limit CE's rights, if any, to common law indemnity.

(b) CE shall have the option, at its sole discretion, to employ attorneys selected by it to defend any such action described in F(1)(a) above, the costs and expenses of which shall be the responsibility of BA. CE shall provide BA with timely notice of the existence of such proceedings and such information, documents and other cooperation as reasonably necessary to assist BA in establishing a defense to such action.

(c) These indemnities shall survive termination of this Agreement, and CE reserves the right, at its option and expense, to participate in the defense of any suit or proceeding through counsel of its own choosing.

2. Mitigation. If BA violates this Agreement or the HIPAA Rules, BA agrees to mitigate any damage caused by such breach, and bear any such related costs.

3. Rights of Proprietary Information. CE retains any and all rights to the proprietary information, confidential information, and PHI it releases to BA.

4. Survival. The respective rights and obligations of BA under Section E. 3 (Effect of Termination) of this Agreement shall survive the termination of this Agreement.

5. Notices. Any notices pertaining to this Agreement, including breach "Notification to the Covered Entity" made pursuant to Paragraph D1(c) of this Agreement, shall be given in writing and shall be deemed duly given when personally delivered to a Party or a Party's authorized representatives as listed below or sent by means of a reputable overnight carrier, or sent by means of certified mail, return receipt requested, postage prepaid. A notice sent by certified mail shall be deemed given on the date of receipt or refusal of receipt. All notices shall

be addressed to the appropriate Party as follows:

If to Covered Entity (for Breach Notification):

Kathleen Devereux (HIPAA Privacy Officer)
Los Angeles Fire Department
Professional Standards Division
201 N. Figueroa St, 12th Floor
Los Angeles, CA 90012
Tel: (213) 202-3147
Fax: (213) 202-3198

If to Covered Entity LAFD (For all other Matters)

Kristin M. Crowley, Fire Chief
Los Angeles Fire Department
200 N. Main St., Room 1800
Los Angeles, CA 90012
(213) 978-3838
(213) 978-3814 Fax

And:

S. Jenny Park, Fire Administrator
Los Angeles Fire Department
200 N. Main St., Room 1630
Los Angeles, CA 90012
(213) 978-3731
(213) 978-3414 Fax

And:

If to Business Associate:

Mark Schiowitz, President & Chief Executive Officer
Advanced Data Processing, Inc. c/o Digitech Computer LLC
480 Bedford Road, Bldg. 600, 2nd Floor
Chappaqua, New York 10514
(914) 741-1919
(914) 741-2818 Fax

With a copy to:

Michael Brook, Senior Vice-President
Advanced Data Processing, Inc. c/o Digitech Computer LLC

5820 Stoneridge Mall Road, Suite 117
Pleasanton, CA 94588
(510) 904-5713

6. Amendments. This Agreement may not be changed or modified in any manner except by an instrument in writing signed by a duly authorized officer of each of the Parties hereto. The Parties, however, agree to amend this Agreement from time to time as necessary, in order to allow CE to comply with the requirements of the HIPAA Rules.

7. Choice of Law. This Agreement and the rights and the obligations of the Parties hereunder shall be governed by and construed under the laws of the State of California, without regard to applicable conflict of laws principles.

8. Assignment of Rights and Delegation of Duties. This Agreement is binding upon and inures to the benefit of the Parties hereto and their respective successors and permitted assigns. However, neither party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. Notwithstanding any provisions to the contrary; however, CE retains the right to assign or delegate any of its rights or obligations hereunder to any City department or office in a manner consistent with the HIPAA Rules. Assignments made in violation of this provision are null and void.

9. Nature of Agreement. Nothing in this Agreement shall be construed to create (i) a partnership, joint venture or other joint business relationship between the Parties or any of their affiliates, (ii) any fiduciary duty owed by one Party to another party or any of its affiliates, or (iii) a relationship of employer and employee between the Parties.

10. No Waiver. Failure or delay on the part of either Party to exercise any right, power, privilege or remedy hereunder shall not constitute a waiver thereof. No provision of this Agreement may be waived by either Party except by a writing signed by an authorized representative of the Party making the waiver.

11. Equitable Relief. Any disclosure of misappropriation of PHI by BA in violation of this Agreement will cause CE irreparable harm, the amount of which may be difficult to ascertain. BA therefore agrees that CE shall have the right to apply to a court of competent jurisdiction for specific performance and/or an order restraining and enjoining BA from any such further disclosure or breach, and for such other relief as CE shall deem appropriate. Such rights are in addition to any other remedies available to CE at law or in equity. BA expressly waives the defense that a remedy

in damages will be adequate, and further waives any requirement in an action for specific performance or injunction for the posting of a bond by CE.

12. Severability. The provisions of this Agreement shall be severable, and if any provision of this Agreement shall be held or declared to be illegal, invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect as though such illegal, invalid or unenforceable provision had not been contained herein.

13. No Third Party Beneficiaries. Nothing in this Agreement shall be considered or construed as conferring any right or benefit on a person not party to this Agreement nor imposing any obligations on either Party hereto to persons not a party to this Agreement.

14. Headings. The descriptive headings of the articles, sections, subsections of this Agreement are inserted for convenience only, do not constitute a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement.

15. Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits CE to comply with the HIPAA rules and any applicable state confidentiality laws. The provisions of this Agreement shall prevail over the provisions of any other agreement that exists between the Parties that may conflict with, or appear inconsistent with, any provision of this Agreement or the HIPAA Rules.

16. Regulatory References. A citation in this Agreement to the Code of Federal Regulations shall mean the cited section as that section may be amended from time to time.

17. Counterparts/Electronic Signatures. This Agreement may be executed in one or more counterparts, and by the Parties in separate counterparts, each of which, when executed, shall be deemed to be an original but all of which, taken together, shall constitute one and the same agreement. The Parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by City) and sent by e-mail shall be deemed original signatures.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized representatives.

For: THE CITY OF LOS ANGELES

DATE: _____

By: _____
Kristin M. Crowley
Fire Chief
Los Angeles Fire Department

For: ADVANCED DATA PROCESSING, INC. (a subsidiary of Digitech Computer LLC)

By:* _____
Mark Schiowitz
President & CEO

APPROVED AS TO FORM:

DATE: _____

MICHAEL N. FEUER, City Attorney

By: _____
Samuel W. Petty
Deputy City Attorney

By:** _____
Shawn Saylor
Chief Financial Officer

DATE: _____

DATE: _____

ATTESTED:
HOLLY L. WOLCOTT, City Clerk

By:_____
Deputy City Clerk

DATE: _____

NOTE: If Contractor is a corporation, two signatures are required.
* The signature of President, Chairman of Board, or Vice President is required here **and**
**An additional signature of Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer is also required for the Corporation.

EXHIBIT D:

CONFIDENTIALITY AGREEMENT

EXHIBIT D

CONTRACTOR/EMPLOYEE ACKNOWLEDGMENT
AND CONFIDENTIALITY AGREEMENT

I understand that my employer, Advanced Data Processing, Inc. (a subsidiary of Digitech Computer LLC) (hereinafter referred to as "Contractor") has entered into a contract with the City of Los Angeles to provide various services to the City (hereinafter referred to as the "Agreement").

Employee Acknowledgment

I understand that the "Contractor" is my sole employer for purposes of the Agreement between "Contractor" and the City of Los Angeles.

I understand and agree that I am not an employee of the City of Los Angeles for any purpose and that I do not have and will not acquire any rights or benefits of any kind from the City of Los Angeles during the period of this employment.

I understand and agree that I do not have and will not acquire any rights or benefits pursuant to any agreement between "Contractor" and the City of Los Angeles.

Confidentiality Agreement

As an employee of "Contractor," I may be involved with work pertaining to City services, and if so, I may have access to confidential information pertaining to persons or entities represented by the City Attorney's Office or by a designated private law firm thereby creating a confidential attorney/client relationship between the City Attorney's Office or the private law firm and its client. All personnel who perform services pursuant to the Agreement between "Contractor" and the City of Los Angeles are bound by that confidential relationship, which is set forth in the California Evidence Code, Article 3, and the California Code of Professional Responsibility. In addition, the City has a legal obligation to protect all confidential information in its possession, especially medical information and other information that is protected by the attorney/client privilege.

I hereby agree that I will not divulge to any unauthorized person, information obtained while performing work pursuant to the Agreement between "Contractor" and the City of Los Angeles.

I agree to forward all requests for the release of information received by me to my immediate supervisor.

Further, I understand that I am obligated to maintain the confidentiality of medical information on examinees receiving services pursuant to the Agreement between "Contractor" and the City of Los Angeles. I understand that I am obligated to maintain the confidentiality of this information at all times, both at work and off duty, in accordance with all State and Federal statutes on confidentiality of information.

I acknowledge that violation of this Acknowledgment and Confidentiality Agreement may subject me to civil and/or criminal action and that the City of Los Angeles will seek all possible legal redress.

Signature _____ Date _____

Printed Name _____ Position/Title _____