



**BOARD OF DIRECTORS**

**FINANCE COMMITTEE MEETING AGENDA**

**TUESDAY, FEBRUARY 07, 2023**

**1:00 PM – CLOSED SESSION – ADMINISTRATION CONFERENCE ROOM**

**1:30 PM – OPEN SESSION- ADMINISTRATION CONFERENCE ROOM**

**41870 GARSTIN DRIVE, BIG BEAR LAKE, CA 92315**

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Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file in the Chief Executive Officer's Office and are available for public inspection or purchase at 10 cents per page with advance written notice. In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if you need special assistance to participate in a District meeting or other services offered by the District, please contact Administration (909) 878-8214. Notification at least 48 hours prior to the meeting or time when services are needed will assist the District staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service. **DOCUMENTS RELATED TO OPEN SESSION AGENDAS (SB 343)** Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the public counter located in the Administration Office, located at 41870 Garstin Drive, Big Bear Lake, CA 92315. For questions regarding any agenda item, contact Administration at (909) 878-8214.

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**OPEN SESSION**

1. **CALL TO ORDER** **Steve Baker, Treasurer**
2. **ROLL CALL** **Shelly Egerer, Executive Assistant**
3. **ADOPTION OF AGENDA\***
4. **PUBLIC FORUM FOR CLOSED SESSION**  
Opportunity for members of the public to address the Committee on Closed Session items.  
*(Government Code Section 54954.3, there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration. Please state your name and city of residence.)*
5. **ADJOURN TO CLOSED SESSION\***

**CLOSED SESSION**

1. **TRADE SECRETS: \*Pursuant to Health and Safety Code Section 32106, and Civil Code Section 3426.1**
  - (1) Steve Clark & Associates (Anticipated Disclosure 2/07/23)
  - (2) Reid & Associates MRI Contract Staffing Agreement (Anticipated Disclosure 2/07/23)
  - (3) William Cannata, MD General Surgery Agreement (Anticipated Disclosure 2/07/23)
  - (4) William Cannata, MD Consulting and Medical Director of Level 4 Trauma Center (Anticipated Disclosure 2/07/23)

**OPEN SESSION**

1. **CALL TO ORDER** **Steve Baker, Treasurer**
2. **RESULTS OF CLOSED SESSION\*** **Steve Baker, Treasurer**

**3. PUBLIC FORUM FOR OPEN SESSION**

Opportunity for members of the public to address the Committee on Open Session items.

*(Government Code Section 54954.3, there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration. Please state your name and city of residence.)*

**4. DIRECTORS COMMENTS**

**5. APPROVAL OF MINUTES\***

A. January 03, 2023

**6. OLD BUSINESS\***

- None

**7. NEW BUSINESS\***

A. Discussion and Potential Recommendation to the Board of Directors of the Following Service Agreements:

- (1) Steve Clark & Associates
- (2) Reid & Associates MRI Contract Staffing Agreement
- (3) William Cannata, MD General Surgery Agreement
- (4) William Cannata, MD Consulting and Medical Director of Level 4 Trauma Center

**8. PRESENTATION AND REVIEW OF FINANCIAL STATEMENTS\***

A. December 2022

B. CFO Report

**9. ADJOURNMENT\***

**\* Denotes Actions Items**

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT  
BOARD OF DIRECTORS  
FINANCE COMMITTEE MEETING MINUTES  
41870 GARSTIN DR., BIG BEAR LAKE, CA 92315  
JANUARY 03, 2023**

**MEMBERS** Steven Baker, Treasurer Evan Rayner, CEO  
**PRESENT:** Jack Briner, 2nd Vice President Shelly Egerer, Executive Assistant  
Garth Hamblin, CFO

**STAFF:** Kerri Jex

**OTHER:** None

**COMMUNITY  
MEMBERS:** None

**ABSENT:** None

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**OPEN SESSION**

**1. CALL TO ORDER:**

Board Member Baker called the meeting to order at 1:00 p.m.

**2. ROLL CALL:**

Steven Baker and Jack Briner were present. Also present were Evan Rayner, CEO, Garth Hamblin, CFO and Shelly Egerer, Executive Assistant.

**3. ADOPTION OF AGENDA:**

Board Member Briner motioned to adopt the January 03, 2023 Finance Committee Meeting Agenda as presented. Second by Board Member Baker to adopt the January 03, 2023 Finance Committee Meeting Agenda as presented. Board Member Baker called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Baker - yes
- Board Member Briner- yes

**CLOSED SESSION**

**1. PUBLIC FORUM FOR CLOSED SESSION:**

Board Member Baker opened the Hearing Section for Public Comment on Closed Session items at 1:00 p.m. Hearing no request to address the Finance Committee, Board Member Baker closed the Hearing Section at 1:00 p.m.

**2. ADJOURN TO CLOSED SESSION:**

Board Member Baker motioned to adjourn to Closed Session at 1:01 p.m. Second by Board Member Briner to adjourn to Closed Session at 1:01 p.m. Board Member Baker called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Baker - yes
- Board Member Briner- yes

## **OPEN SESSION**

### **1. CALL TO ORDER:**

Board Member Baker called the meeting to order at 1:41 p.m.

### **2. RESULTS OF CLOSED SESSION:**

Board Member Baker stated there was no reportable action from Closed Session.

### **3. PUBLIC FORUM FOR OPEN SESSION:**

Board Member Baker opened the Hearing Section for Public Comment on Open Session items at 1:41 p.m. Hearing no request to address the Finance Committee, Board Member Baker closed the Hearing Section at 1:42 p.m.

### **4. DIRECTOR'S COMMENTS:**

- None

### **5. APPROVAL OF MINUTES:**

A. December 06, 2022

**Board Member Briner motioned to approve the December 06, 2022 minutes as presented. Second by Board Member Baker to approve the December 06, 2022 minutes as presented. Board Member Baker called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Baker - yes
- Board Member Briner- yes

### **6. OLD BUSINESS:**

- None

### **7. NEW BUSINESS\***

A. Discussion and Potential Recommendation to the Board of Directors of the Following Service Agreement:

(1) Charles Nagel, CLS dba Medical Laboratory Connections

**Board Member Briner motioned to provide a positive recommendation to the Board of Directors Charles Nagel, CLS dba Medical Laboratory Connections as presented. Second by Board Member Baker to provide a positive recommendation to the Board of Directors Charles Nagel, CLS dba Medical Laboratory Connections as presented. Board Member Baker called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Baker - yes
- Board Member Briner- yes

B. Discussion and Potential Recommendation to the Board of Directors of Fiscal Year 2022 Audited Financial Statement

- Mr. Tucker provided the following information:
  - No adjustments
  - Six late client entries
  - Mom grant revenue accrual \$51K
  - Final adjustment for UC CIP \$373K

- Total impact income was \$1.0M
- Prime program ran its course unsure if there is a second phase
- COVID \$1.3M
- New operating lease reporting \$440k asset/liability
- Net income margin 5%
- Total revenue was up almost \$36M
- Profit of \$1.7M
- Over 400 days cash on hand
- 38 days in AR

**Board Member Briner motioned to provide a positive recommendation to the Board of Directors of FY 2022 Audited Financial Statement as presented. Second by Board Member Baker to provide a positive recommendation to the Board of Directors of FY 2022 Audited Financial Statement as presented. Board Member Baker called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Baker - yes
- Board Member Briner- yes

## **8. PRESENTATION AND REVIEW OF FINANCIAL STATEMENTS\***

### **A. November 2022 Finances:**

- Mr. Hamblin reported the following information:
  - Cash on hand 449 days
  - Experienced loss for the month
  - ER increased
  - SNF, Acute and Clinics under budget
  - Still occurring some expenses with travelers
  - AR is strong

### **B. CFO Report:**

- Mr. Hamblin reported the following:
  - **Fiscal Year 2022 Audited Financial Statements:**
    - Provided briefing by Mr. Tucker
  - **November 2022 check register:**
    - Is provided in the packet

**Board Member Briner motioned to approve the November 2022 Finance Report and CFO Report as presented. Second by Board Member Baker to approve the November 2022 Finance Report and CFO Report as presented. Board Member Baker called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Baker - yes
- Board Member Briner- yes

## **9. ADJOURNMENT\***

**Board Member Baker motioned to adjourn the meeting at 2:15 p.m. Second by Board Member Briner to adjourn the meeting. Board Member Baker called for a vote. A vote in favor of the motion was unanimously approved.**

- Board Member Baker - yes
- Board Member Briner- yes



## Contract Cover Sheet

Contract Name: Steve Clark & Associates

Purpose of Contract: Consulting Services

Contract # \_\_\_\_\_ Effective Date: 12/1/22 Term: 1 YEAR Cost: \_\_\_\_\_

Originating Department Name: \_\_\_\_\_ Department Number: \_\_\_\_\_

Department Manager Signature: \_\_\_\_\_ Date: \_\_\_\_\_

BAA: ☐ Yes ☐ No

W-9: ☐ Yes ☐ No

<u>Administrative Officer</u>	Signature: <u>NA</u>	Date: <u>NA</u>
<u>HIPAA/Security Officer</u> (Software/EHR Related)	Signature: <u>NA</u>	Date: <u>NA</u>
<u>HIPAA Privacy Officer</u> (BAA applicable)	Signature: <u>NA</u>	Date: <u>NA</u>
<u>Legal Counsel</u>	Signature: <u>via email</u>	Date: <u>1/20/23</u>
<u>Compliance Officer</u>	Signature: <u>via email</u>	Date: <u>1/25/23</u>
<u>Chief Financial Officer</u>	Signature: <u>NA</u>	Date: <u>NA</u>
<u>Chief Executive Officer</u>	Signature: <u>NA</u>	Date: <u>NA</u>
<u>Board of Directors</u> When Applicable	Signature: <u>NA</u>	Date: <u>NA</u>

1. Final Signatures on Contract, BAA & W-9: Date: \_\_\_\_\_
2. Copy of BAA forwarded to HIPAA Privacy Officer Date: \_\_\_\_\_
3. Copy of Contract/BAA/W-9 forwarded to Department Manager: Date: \_\_\_\_\_
4. Copy of Contract/BAA/W-9 forwarded to Contractor (if applicable): Date: \_\_\_\_\_
5. Copy of Contract/BAA/W-9 scanned/emailed to Controller: Date: \_\_\_\_\_

## Contract Cover Sheet

### CONFIDENTIAL NOTICE:

Note: This document and attachments are covered by CA Evidence Code 1157 and CA Health and Safety Code 1370.

NOTICE TO RECIPIENT: If you are not the intended recipient of this, you are prohibited from sharing, copying or otherwise using or disclosing its contents. If you have received this document in error, please notify the sender immediately by reply email and permanently delete this document and any attachments without reading, forwarding or saving them. Thank you  
Updated 07/2019



Steve Clark & Associates

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Folsom, CA 95630  
p (916) 673-2020  
www.scainc.net

December 1, 2022

Mr. Evan Rayner  
Chief Executive Officer  
Bear Valley Community Healthcare District  
41870 Garstin Drive  
Big Bear Lake, CA 92315

Dear Mr. Rayner:

We are pleased to submit this letter for your review and signature (the "*Agreement*"), which sets forth the terms according to which Steve Clark & Associates, Inc., will provide you with certain consulting services. The term of this contract is from December 1, 2022 through November 30, 2023, subject to the termination provisions described in section "5" below. This proposal will provide financial and reimbursement expertise on the district hospital rate range IGT funding program. We look forward to working with you in reaching your objectives and ask that you review this letter to ensure that we understand and agree upon the terms governing the provision of our services. For convenience, this letter will refer to Steve Clark & Associates, Inc., as "*Consultant*" and to Bear Valley Community Healthcare District as "*Client*."

The terms and conditions of our Agreement are as follows:

1. **Consulting Services.** Consultant agrees to provide the consulting services described on Exhibit A attached hereto. Exhibit A will be referred to as the "*Services*." Consultant further agrees to consult with Client regarding the Services during the term of this Agreement.
2. **Performance Standards.** Consultant agrees to perform the duties required by this Agreement in good faith, and in a timely manner that Consultant believes to be consistent with the needs of the Client. Consultant is not an agent or employee of Client, and has no fiduciary duty, nor any duty of care, disclosure or inquiry, other than as expressly set forth in this Agreement. Consultant shall be entitled to rely on the completeness and accuracy of all information, documents and materials provided by Client to Consultant in connection with the Services and this Agreement.
3. **Compensation and Expenses.** In return for the Services provided by Consultant and specified in Exhibit A, Client agrees to pay Consultant 15% (fifteen percent) of the net benefit amount of improved revenue generated from this engagement. The net benefit amount will be calculated as the difference between the amount of rate range funding Client



receives for Calendar Year 2021 as compared to the amount of rate range it receives for Calendar Year 2022, after subtracting the IGT and State administrative fee. If Consultant is unable to improve Client's rate range revenue, then no payment is due under this contract.

Any work performed by Consultant outside the scope of services described in Exhibit A shall be approved in advance by Client and will be billed on an hourly basis at \$350/hour and are billable in fifteen (15) minute increments for each hour or portion thereof performed by Consultant hereunder. Billable time includes all travel time, both local and out-of-town.

Client agrees to reimburse Consultant for all out-of-pocket costs incurred in the course of performance of the Services hereunder.

**4. Payment Terms.** Consultant agrees to furnish to Client an invoice for services rendered after Client receives the Calendar Year 2022 rate range payment. Client agrees to pay Consultant within thirty (30) days from the date Client receives the invoice, with payment sent to Consultant at the letterhead address set forth above. If Consultant does not receive complete payment within the foregoing time frame, then Client shall be in material breach of this Agreement. In such case, Client agrees (i) that Consultant may immediately and indefinitely discontinue providing the Services hereunder; and, (ii) that all working papers, documents and materials prepared by Consultant for which payment has not been received shall be and remain the sole and exclusive property of Consultant, and shall not be released by Consultant until complete payment of all fees and expenses due hereunder has been received by Consultant. The foregoing remedies shall be in addition to (and not exclusive of) any other remedies to which Consultant may be entitled as a result of Client's breach of this Agreement.

**5. Termination.** Either party may terminate this Agreement at any time without cause upon the provision of thirty (30) days prior written notice to the other. Following receipt of any notice of termination without cause, Consultant may, but shall not be obligated to, continue to provide the Services to Client pursuant to this Agreement. Either party also may terminate this Agreement immediately as a result of a material breach by the other party, upon the provision of written notice to the other. If this Agreement is terminated by either party, either with or without cause, all fees and expenses due Consultant, up to and including the effective date of the termination, shall be paid immediately to Consultant. Client further agrees, if this Agreement is terminated by either party in accordance with this section, that all work papers, confidential information, literature and any other documentation acquired or developed by Consultant directly related to this Agreement, shall not be provided to Client by Consultant until all fees and expenses have been paid to Consultant.



**6. Confidential Information.** Client agrees to provide Consultant with all information in its possession or reasonably available to it that is necessary for Consultant to provide the Services. Consultant shall, under all circumstances, have the right to rely, without independent investigation or verification, on all such information provided by Client to Consultant. Consultant agrees not to disclose any confidential documents or information provided to Consultant by Client pursuant to this Agreement, except: (i) to the directors, officers, employees, subcontractors and legal counsel of Consultant who have a need to know such information for the purpose of assisting Consultant in the performance of this Agreement; and (ii) when required by law to do so, but only if Consultant first notifies Client and affords Client a reasonable opportunity to oppose such disclosure by such means as Client deems necessary or appropriate. Notwithstanding the foregoing, confidential information shall not include any information which (i) is on the date hereof, or hereafter becomes, generally available to the public other than as a result of a disclosure, directly or indirectly, by Consultant; (ii) was available to Consultant on a non-confidential basis prior to its disclosure to Consultant by Client, or its representatives; or (iii) becomes available to Consultant on a non-confidential basis from a source other than Client or its representatives.

**7. Representations and Warranties of Client.** Client represents and warrants to Consultant that: (i) Client owns or has the legal right to use all patents, copyrights, trademarks, trade names, service marks, service names, and other intangible property or property rights relating to the Services (collectively, the "*Intellectual Property*"); (ii) each item of Intellectual Property may be disclosed to and used by Consultant within the course and scope of performing the Services on behalf of Client; (iii) Client's disclosure or Consultant's use of the Intellectual Property as permitted under this Agreement will not infringe upon, misappropriate, or otherwise conflict with any property rights of third parties; (iv) all information provided by Client shall be complete and accurate in all material respects, and not misleading; and (v) Client shall be solely responsible for the accuracy and completeness of all information provided by Client to Consultant.

**8. Disclaimer of Warranties.** Client acknowledges that the conduct of its business involves substantial regulatory risks, including but not limited to, risks relating to existing and future federal and state laws affecting governmental reimbursement policies. Client assumes sole responsibility for the assessment and assumption of any and all such risks, and for the compliance of its business and operations with applicable laws. Consultant warrants only that Consultant will perform the Services provided under this Agreement, in a competent manner. Except for the foregoing limited warranty, Consultant makes no warranty, express or implied, and expressly disclaims: (i) any implied warranty of merchantability or fitness for a particular purpose; (ii) any warranty of any assumption or projection;

and (iii) any warranty of the results or success of any strategy or recommendation made or otherwise included as part of the Services provided by Consultant to Client.

**9. Limitation of Liability.** In no event will either Party be liable to the other, or any third party, for any special damages, including any lost profits, lost savings, or other incidental or consequential damages, even if such Party has been advised of the possibility of such damages. Such Party's entire liability and the other's exclusive remedy for any breach of this Agreement by such Party shall be the replacement of any materials not meeting such Party's obligations hereunder that are returned by the other, or if such Party is unable to deliver replacement materials, the refund by such Party of the fees (but not the expenses) paid by the other for the Services.

**10. Indemnification.** Each Party agrees to indemnify, defend and hold the other harmless from and against any and all liability, loss, damage, claim, cause of action or cost (including, but not limited to, court costs and attorneys' fees) which may result directly or indirectly, from any act, error, or omission of such Party, or from any information, documents or materials provided by such Party.

**11. Proprietary Rights.** Subject to Consultant's receipt of complete and timely payment as required by this Agreement, all work products prepared for Client by Consultant shall belong exclusively to Client. All work products prepared by Consultant for others, for itself, or prior to or after the term of this Agreement, shall remain the exclusive property of Consultant.

**12. Non-Exclusivity.** This Agreement shall be non-exclusive. Consultant may provide consulting services to Consultant's existing clients, and to any other persons or entities that may in the future become clients of Consultant.

**13. General Terms.** Consultant shall act as an independent contractor and not as an agent or employee of Client and Consultant shall make no representation that it is an agent or employee of Client. Consultant is responsible for all taxes as an independent contractor. Consultant shall not have the authority to bind Client or incur other obligations on behalf of Client, unless Client so directs Consultant in writing. Either party without the written consent of the other party may not assign this Agreement. Consultant, however, may utilize the services of its Associates in providing Client services under this Agreement; however, the Consultant remains responsible for the services under this contract. This Agreement will be retroactive to the date Consultant first performed the Services for Client. California law will govern the interpretation and enforcement of this Agreement, and each party consents to the jurisdiction of the courts of California in any action or proceeding with respect to this Agreement. The prevailing party in any such proceeding shall be entitled to recover its attorneys' fees and costs of suit.

If you are in agreement with the terms of this letter of Agreement, please print out a copy of the Agreement page, sign/date and return one copy to us by e-mail.

Sincerely,

A handwritten signature in blue ink that reads "Nathan S. Davis".

Nathan Davis  
Partner

Agree to terms of the December 1, 2022 contract proposal to engage Steve Clark and Associates to provide financial and reimbursement expertise on the district hospital rate range funding program as specified in Exhibit A, below, for Bear Valley Community Healthcare District and accepted by:

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

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

## **EXHIBIT A**

### **Project Descriptions**

#### Rate Range IGT Revenue Improvement

Consultant will:

- Work with staff responsible for managing the contractual relationship(s) with the hospital's third party Medi-Cal managed care plan(s) to seek addition revenue from the participation in the Medicaid managed care rate range IGT program.
- Through data, service, and other analysis we will determine an appropriate amount of funding that could be warranted and sought under this program.
- Create talking points and strategies to access additional rate range from health plan(s).
- Provide information on timelines and milestones for inclusion.
- Utilize outside connections to assist as deemed necessary.

# MRI Contract Staffing Healthcare Staffing Agreement

As of **1/6/2023** (the "Effective Date"), MRI Contract Staffing (**MRICS**) with its principal office located at 111 Springhall Drive, Goose Creek, SC 29445, in affiliation with People 2.0 North America, ("**People 2.0**") who will provide the employer or record and other back office services (collectively "**Service Provider**"), and **Bear Valley Community Health Care District** ("**Client**") agree to the terms and conditions set forth in this Standard Healthcare Staffing Agreement (the "**Agreement**") for non-exclusive Healthcare Staffing Services. Service Provider and Client are each referred to herein as a "Party", and collectively as the "Parties".

Client hereby engages Service Provider to supply Client with qualified Healthcare Professionals (each a "Professional" or "Assigned Professionals", as the context so dictates), subject to the terms and conditions of this Staffing Agreement.

## 1. DESCRIPTION AND PRICING OF SERVICES.

Upon request from Client, Service Provider shall identify and procure qualified Professionals to provide temporary services for Client ("Staffing Services"). The services will be provided according to the pricing set forth in **SCHEDULE A** herein. The pricing is confidential and neither party will disclose the information without the other party's written permission.

## 2. SERVICE PROVIDER'S RESPONSIBILITIES.

Prior to any Professional performing services for Client, Service Provider will ensure that all Professionals are in compliance with all Federal and applicable State employment laws. The Service Provider agrees to have Professional's file available for review at Client's request. Each Professional assigned by Service Provider to Client shall: (1) possess a current and valid professional license or certification commensurate with the duties and responsibilities associated with such assignment, (2) possess such other written qualifications required by Client at the time the request is made, (3) complete an orientation program as required by Client and (4) comply with all reasonable, written regulations and policies of Client as provided to the Professional. Service Provider shall also be responsible for any additional requirements indicated in **SCHEDULE B**.

People 2.0 Service Provider responsibilities are as follows:

- a. maintain the following insurance coverages: professional liability coverage, Workers' Compensation, Medical Malpractice, Crime and Employment Practices Liability insurance
- b. Serve as the Employer of Record ("EOR")
- c. Pay Professionals' wages and provide them with the benefits it offers to them.
- d. Pay, withhold, and transmit payroll taxes; provide and handle unemployment and workers' compensation claims involving Professionals; and provide applicable paid family and medical leave benefits.
- e. Not discriminate against any Professional on the basis of race, religion, color, national origin, sex, age, disability, veteran status, or any other class or characteristic protected under applicable law.
- f. Comply with federal, state and local labor and employment laws applicable to Professionals, including the Immigration Reform and Control Act of 1986; the Internal Revenue Code ("Code"); the Employee Retirement Income Security Act ("ERISA"); the Health Insurance Portability and Accountability Act ("HIPAA"); the Family Medical Leave Act; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act; the Fair Labor Standards Act; the Consolidated Omnibus Budget Reconciliation Act ("COBRA"); the Uniformed Services Employment and Reemployment Rights Act of 1994; and, as set forth in subparagraph "g." below, the Patient Protection and Affordable Care Act (ACA).
- g. Comply with all provisions of the ACA applicable to Professionals, including the employer shared responsibility provisions relating to the offer of "minimum essential coverage" to "full-time" employees (as those terms are defined in Code §4980H and related regulations) and the applicable employer information reporting provisions under Code §6055 and §6056 and related regulations.

## 3. RIGHT TO CONTROL.

In addition to People 2.0's duties and responsibilities set forth in paragraph 2 above, People 2.0, as the common law employer, has the right to physically inspect the work processes; to review and address,

unilaterally or in coordination with CLIENT, Professional work performance issues.

#### 4. CLIENT'S RESPONSIBILITIES.

**Supervision & Orientation.** Client shall exclusively determine the hours, scope and duration of the activities of the Professionals, and shall have exclusive responsibility to supervise, manage and evaluate them. Client will ensure all Professionals receive orientation to include hospital's infection control process, pandemic protocol, safety management and any unit specific orientation required by Client.

Client shall not discriminate against any Professional on the basis of race, religion, color, national origin, sex, age, disability, veteran status, or any other class or characteristic protected under applicable law. Make sure that Professionals are provided with a safe working environment and adhere to all federal and state safety laws.

**Incident Reports.** If concerns or difficulty with a Professional's behavior or attendance occur, Client agrees to notify the Service Provider within 24 hours to allow the appropriate party the opportunity to mediate a quick and satisfactory resolution to pressing concerns.

Client will notify Service Provider in writing of any incident involving standard of care issues involving Professionals as promptly as practicable. Reports of clinical occurrences, medication variances or sentinel events should be given to the Service Provider within 24 hours of occurrence. The Service Provider will document the incident in its records, counsel the Professional and/or report to the appropriate professional board or law enforcement agency, if warranted. A written report, stating the investigative findings and Service Provider's action will be filed and sent to Client within ten (10) working days of the complaint. These occurrences are tracked and analyzed periodically to promote continuous quality improvement. Service Provider further agrees to use commercially reason efforts to cooperate with Client in meeting Client's accreditation standards including, but not limited to, the industry standards, respective to Service Provider's capacity hereunder.

**Right to Dismiss.** Client shall have the right to immediately dismiss any Professional assigned to Client without penalty if, in the sole judgment of Client, such Professional is incompetent, unqualified, negligent, has engaged in misconduct, has otherwise violated any of Client's policies or regulations or for any other lawful reason. If Client dismisses a Professional, upon reasonable written notice of the same and a request therefore by Client, Service Provider shall make reasonable efforts to secure a replacement Professional.

#### 5. SCHEDULING.

**"Local Contract"** means any assignment where the Professionals travel less than fifty (50) miles from their primary residence and more than one shift is guaranteed by the Client, for a minimum period of four (4) weeks in duration. Client may cancel a "local contract" without penalty if at least seven (7) days' prior written notice is provided to Service Provider. If Client cancels with less than such seven (7) day notice, Client will reimburse Service Provider for a sum equivalent to one (1) week's Guaranteed Hours (defined below) of Professional at the appropriate bill rate.

**"Guaranteed Hours"** are confirmed by Client in writing prior to the start of a Local Contract. Client agrees to be billed for *all* guaranteed hours on a weekly basis unless Professional does not report to work for a scheduled shift due to illness or some other reason outside of Client's control. Make up of lost time due to cancellation by Professional will be at the mutual agreement of Client and Professional.

#### 6. HIPAA AND OTHER LEGAL COMPLIANCE.

- a. The Parties will comply with the applicable provisions of the Administrative Simplification section of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. § 1320 through d-8 ("HIPAA"), and the requirements of any regulations promulgated under that section, including, without limitation, the federal privacy regulations as contained in 45 C.F.R. Part 164, and the federal security standards as contained in 45 C.F.R. Part 142 (collectively, the "Regulations") respective to each Party's capacity hereunder. Neither Party shall use or further disclose any protected health information, as defined in 45 C.F.R. 164.504, or individually identifiable health information, as defined in 42 U.S.C. § 1320d (collectively, the "Protected Health Information" or "PHI"), other than as permitted



by this Agreement and the requirements of HIPAA or the Regulations. Client shall implement appropriate safeguards to prevent the use or disclosure of Protected Health Information other than as contemplated by this Agreement. Service Provider shall promptly report to Client any use or disclosures of which Service Provider becomes aware, of Protected Health Information in violation of HIPAA or the Regulations. If Service Provider contracts with any agents or independent contractors to whom Service Provider provides Protected Health Information, Service Provider shall include provisions in those contracts requiring Service Provider and the agents or independent contractors to adhere to the same restrictions and conditions that apply to Service Provider with respect to PHI. Service Provider shall make its internal practices, books and records relating to the use and disclosure of Protected Health Information available to the Secretary of the United States Department of Health and Human Services to the extent required for determining compliance with HIPAA and the Regulations. If a Client's patient (or the patient's personal representative) requests access to PHI in a Designated Record Set of Client from Service Provider or Assigned Professional, Service Provider or Assigned Professional shall immediately forward the request and any such PHI in its, his, or her possession to Client. If a Client's patient (or the patient's personal representative) requests an amendment of PHI in a Designated Record Set of Client from Service Provider or Assigned Professional, then Service Provider or Assigned Professional shall immediately forward the request and any applicable PHI in its, his, or her possession to Client. Further, Service Provider or Assigned Professional shall incorporate any amendment approved by Client into any amended PHI in Service Provider possession. If a Client's patient (or the patient's personal representative) requests an accounting of disclosures of Protected Health Information from Client, Service Provider, then Service Provider and Assigned Professional shall, within ten (10) days, forward the request that Service Provider or Assigned Professional receives and any information in Service Provider's or Assigned Professional's possession that is required for Client to make the accounting required by 45 C.F.R. § 164.528. No attorney-client, accountant-client or other legal or equitable privilege is deemed to have been waived by Service Provider or Client by virtue of this paragraph.

- b. In addition to the foregoing and without limiting same in any manner, each Party will perform its obligations in compliance with all applicable federal, state and local laws, regulations, ordinances and codes, including but not limited to those regarding data safeguarding, intellectual property, personal information and privacy rights.

## 7. SERVICE PROVIDER AFFILIATION.

Services are provided through **MRI Contract Staffing (MRICS)**, in affiliation with People 2.0 ("P2.0"). In general, **MRICS** will be responsible for all communications with Client including scheduling matters, shift confirmations, clinical issues and travel arrangements for Professionals. P2.0 is responsible for administrative tasks such as Payroll for the Professionals, Accounts Receivable and Worker's Comp/Professional Liability Insurance coverage. Unless directed otherwise, all communication from Client to Service Provider should be to **MRICS** as noted below.

## 8. INSURANCE.

Service Provider shall maintain (1) Employer's Liability Coverage with a minimum of One Million (\$1,000,000) Dollars per occurrence and One Million (\$1,000,000) Dollars in the aggregate and workers' compensation insurance as required by law for each Professional assigned to Client; (2) professional liability insurance for each Professional of not less than Five Million (\$5,000,000) Dollars per occurrence and Ten Million (\$10,000,000) Dollars in the aggregate; and (3) Commercial General Liability Insurance (including bodily injury, personal injury, products liability, contractual liability and property damage) not less than Two Million (\$2,000,000) Dollars per occurrence and Four Million (\$4,000,000) Dollars in the aggregate, which policy shall name Client as an additional insured thereunder where applicable. Service Provider shall provide Client with a certificate of insurance evidencing all insurance coverage required by this Staffing Agreement and applicable law.



## 9. PAYMENT FOR SERVICES.

Service Provider will remit weekly invoices for services rendered for the prior week. The billing cycle is scheduled on a one (1) week, seven (7) day cycle, commencing with the day shift Sunday and ending with the night shift Saturday, seven (7) days later. Invoices are issued electronically via email, unless other requested by Client, in writing.

Client shall pay to Service Provider, within thirty (30) days of date of invoice at the rate specified in Fee Schedule attached hereto as **SCHEDULE A**. The rates specified in **Schedule A** and such rates shall remain in effect until (i) both parties mutually agree to amend the rates or (ii) as needed to reflect changes in the market based upon prevailing conditions and/or changes in federal and state law to offset any increases in statutory costs, whichever is earlier, but in no event shall there be a period longer than three (3) years between rate adjustments.

Notwithstanding anything contained herein or otherwise to the contrary, Client shall be responsible to Service Provider for such fees relating to a Professional's completion of the Client's orientation program. Undisputed accounts unpaid thirty (30) days or more from the invoice date are subject to a monthly service charge of 1.0%. If a portion of any invoice is disputed, Client will pay the undisputed portion and work with Service Provider in a timely, good faith manner to resolve any dispute and promptly pay Service Provider such resolved amount of such invoice.

## 10. INDEMNIFICATION AND LIMITATION OF LIABILITY.

- a. Service Provider agrees to indemnify, defend and hold harmless Client and its officers, employees, agents, affiliates, successors and assigns ("Client Parties") from and against any and all claims, actions, liabilities and costs (including attorneys' fees) ["Losses"] to the extent caused by: (i) the negligence, unlawful activity or willful misconduct of Service Provider or its directors, officers, employees (excluding any Professional), agents, affiliates, successors or assigns in the performance of Service Provider's Staffing Services; or (ii) the breach of this Agreement by the Service Provider Parties. Client agrees to indemnify, defend and hold harmless Service Provider and its parent, affiliates, subsidiaries and related entities and each of their respective officers, employees, Professionals, agents, affiliates, successors and assigns ("Service Provider Parties") from and against any and all Losses to the extent caused by: (i) the negligence, unlawful activity or willful misconduct of the Client Parties or their respective directors, officers, employees, agents, affiliates, successors, or assigns or the Professionals, (ii) the failure of Client Parties to provide a safe working environment (including but not limited to the presence of hazardous materials, substances or conditions therein at Client Party locations); (iii) harassment of Service Provider Parties by the Client Parties, or their invitees or (iv) breach of this Agreement by the Client Parties.
- b. Notwithstanding anything contained herein or otherwise to the contrary, except and to the extent of a Party's gross negligence or willful misconduct or that of its respective Parties, in no event shall either Party be liable for any consequential, incidental, indirect, compensatory, exemplary, or special damages of any kind (including but not limited to lost profits, lost data, or cost of substitute goods or services) and/or punitive damages. Notwithstanding anything contained herein or otherwise to the contrary, except and to the extent of a Party's gross negligence or willful misconduct or that of its respective Parties, in no event will either Party's cumulative aggregate liability under this Agreement, which shall be limited to the aggrieved party's actual and direct damages, exceed One million dollars (\$1,000,000)

# MRI Contract Staffing Healthcare Staffing Agreement

## 11. NOTICE.

Any notice required or authorized under this Agreement shall be in writing and shall be deemed given when sent by U.S. Mail, certified return receipt requested and addressed as follows:

### To Service Provider: MRI Contract Staffing

Name: Timothy Ozier

Address: 111 Springhall Drive, Goose Creek, SC 29445

### To Client:

Name: CEO

Address: PO Box 1649, Big Bear Lake, CA 92315

## 12. AMENDMENTS.

This Agreement, inclusive of its Schedules, which are incorporated herein by this reference, contains all the terms and conditions agreed to by the Parties, and no oral agreement regarding the terms hereof will be binding. However, written amendments, signed by authorized representatives of both Parties, may be entered into and made a part of this Agreement.

## 13. EXPENSES RELATED TO DISPUTE.

In the event Client does not make prompt payment in accordance with this agreement, Client agrees to pay all reasonable costs and expenses of collection including, without limitation, reasonable attorneys' fees and costs and expenses incurred by Service Provider in connection with the pursuit of Client, in addition to fees, service charges, and other fees owed to Service Provider.

## 14. NON-SOLICITATION.

During the Term (defined below) of this Agreement, neither Service Provider nor Client shall solicit for employment the other Party's employees. Service Provider agrees not to hire any employee of Client, or return to Client a Professional for staffing, for 12 months after said employee terminates assignment with Client. Nothing herein shall be construed to prohibit a Party from solicitations or responses thereto from general mailings to professionals in the community, job fairs, employment agency referrals, internet postings, or other advertising for available employment positions in the ordinary course of either party's business.

Client agrees that during the Term of this Agreement, Client shall not offer employment to any Professional currently assigned by Service Provider to Client. If Client wishes to employ a Professional, Client may pay a flat rate conversion fee equal to 35% of the applicable bill rate for 480 hours (12 weeks' times 40 hours) for the employment of such Professional.

## 15. TERM.

This Agreement shall commence on the Effective Date and will be in full force and effect for a period of one (1) year ("Initial Term"). Thereafter, unless terminated as set forth herein, this Agreement shall renew only upon the mutual written agreement of the Parties (each, a "Renewal Term"). The Initial Term and any Renewal Term(s) shall constitute the Term. This Agreement may be terminated by either Party, with or without cause, with thirty (30) days' prior written notice to the other Party. All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when mailed by certified mail, returned receipt requested mail, to the parties,

# MRI Contract Staffing Healthcare Staffing Agreement

their addresses set forth above, or to such other addresses as either Party may in writing designate to the other Party. This Agreement may be modified or amended only with the written consent of both parties. Neither Party may assign this agreement without the prior written consent of the other Party.

## 16. GOVERNING LAW AND VENUE.

This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, without regard to provisions of conflicts of law. The parties agree to submit to the jurisdiction of the state and federal courts of the State of South Carolina for the resolution of any legal action arising out of this Agreement and agree that venue for such legal action shall lie exclusively in Berkeley County, South Carolina. The United Nations Convention on the International Sale of Goods is expressly excluded from this Agreement, including without limitation, all transactions occurring hereunder or contemplated hereby.

IN WITNESS WHEREOF, the Parties hereto by their authorized representatives, have executed this Agreement as of the Effective Date.

**Service Provider: MRI Contract Staffing**

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

\_\_\_\_\_  
(print name and title)

\_\_\_\_\_  
(date)

**Client:**

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

\_\_\_\_\_  
(print name and title)

\_\_\_\_\_  
(date)

## SCHEDULE A

**Client:** Bear Valley Community Healthcare District

**City, State:** Big Bear Lake, CA 92315

**Location:** 41870 Garstin Dr.

**Workers' Compensation Code:** 8834 Medical

**Candidate:**

**Estimated Start Date Pending Clearance:**

**Weekly Bill Rate:** \$ 5692.97 Per Week on an exempt basis, regardless of the number of hours and days worked. This includes, payroll, applicable taxes, healthcare coverage in accordance with the Affordable Care Act, agency fee, insurance (professional liability), employer of record services (pre-employment screenings, tax reporting, references, background checks). Deduction of \$ 824.00 per day will be made for one or more full day absences taken for personal reasons. Any expenses will still be billed for the week.

**Bill Rate does not include:** Temporary Housing, Rental Car.

**Bill Rate does include:** Trips home every other week and paid travel day as mutually agreed upon with candidate and Hospital.

**Estimated Duration:** Temporary assignment lasting approximately 13 weeks; however, assignment may be terminated earlier by either party notice without penalty with thirty (30) days' notice as set forth in the agreement. Should the contract be terminated early, CLIENT agrees to pay final expenses for early termination. Assignment might be extended after initial term with mutual agreement.

**Conversion Rate:** Candidates assigned to you under this Agreement are for temporary services only. If you hire or engage a Candidate on a permanent basis, Client Company will pay Recruiter a service fee equal to 20% of the Candidate's anticipated annualized compensation.

**Payment Terms:** Payment terms are net 30 days after receipt of invoice. Invoices should be sent to CLIENT at:

**Name:**

**Title:**

**Email Address:**

**Phone Number:**

**Benefits:** MVP Benefits, premium/administration, Employee Perks, FSA – included in markup.

*\* Excludes employees working in Hawaii and San Francisco. Different eligibility requirements and pricing apply and will be quoted separately.*

**Paid Sick Leave:** MRICS will pay and bill to CLIENT any mandated paid sick leave as used by Assigned Employees. Mandated sick leave jurisdictions are provided upon request.

**COVID-19 Related Costs:** MRICS will pay and bill to CLIENT any additional costs arising out of any federal or state mandated requirement for medical, sick or family leave related to COVID-19 for an assigned worker, including under the “Families First Coronavirus Response Act (“FFCRA or Act”) or similar legislation, upon documentation provided to Client by MRICS of: (a) such requirement for leave; and (b) related additional costs incurred by MRICS arising out of such requirement.

**Paid Holidays:** If CLIENT wishes to provide paid holidays, MRICS will pay and bill paid holidays to CLIENT. MRICS does not offer paid holidays as a standard benefit.

**Paid Time Off:** If CLIENT wishes to provide paid time off, MRICS will pay and bill paid time off to CLIENT. MRICS does not offer paid time off as a standard benefit.

**Bereavement:** If CLIENT wishes to provide paid bereavement leave, MRICS will pay and bill bereavement leave to CLIENT. MRICS does not offer bereavement leave as a standard benefit.

**Jury Duty:** MRIC pay and bills to CLIENT any federal, state or locally mandated minimum jury duty leave. Mandated minimum paid jury duty jurisdictions are provided upon request. If CLIENT wishes to pay non-mandated jury duty pay, MRICS will pay and bill non-mandated jury duty to CLIENT.

**Mandated Sexual Harassment Training Hours:** paid and billed as regular wages.

**Sales Tax States:** pass through cost on client invoice (CT, HI, NM, OH, SD, WV)

**MRICS requests these terms to be treated as confidential.**

**Agreed and Accepted:**

**CLIENT**

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

\_\_\_\_\_  
(print name and title)

\_\_\_\_\_  
(date)

**MRI Contract Staffing**

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

\_\_\_\_\_  
Timothy Ozier, Sr. Director

\_\_\_\_\_  
(date)

## SCHEDULE B Credentialing Checklist

This checklist will be used to track credentialing requirements by employee and facility. Please add any additional requirements per affiliate/facility request as needed. People 2.0 follows guidelines for credentialing that are in line with industry standards.

### STANDARD CHECKLIST

#### • **Licensure/ Certification**

P20 Standard	Facility Specific	Requirement
✓	X	License Verification (via Primary Source Verification) ( <b>RN, LVN/LPN</b> ) – check expiration dates  <b>OR</b>  Certification Verification ( <b>CNA, CMA</b> ) – check expiration dates <ul style="list-style-type: none"> <li>State-Specific Registry check and/or Education Verification Check</li> </ul>
<b>Additional Requirements based on Specialty/Location</b>		
		BLS - Basic Life Support Certification (AHA certified)
		ACLS - Advanced Cardiovascular Life Support
		PALS - Pediatric Advanced Life Support
		NRP - Neonatal Resuscitation Program
		TNCC - Trauma Nursing Core Course
	X	Ask for any/all certifications they have

#### • **Education, Experience, Competency Evaluation & Orientation**

P20 Standard	Facility Specific	Requirement
✓		<b>Resume</b> (must include <b>Education</b> (school, degree, year graduated) as well as relevant <b>Experience</b> )
<b>Competency Evaluation</b>		
		Core Competency Exam (includes HIPAA and OSHA)
<b>Additional Requirements on Request</b>		

## • Background Screenings

P20 Standard	Facility Specific	Requirement
✓	X	<b>Medical Sanctions (Level III)</b> <i>(includes the following):</i> <ul style="list-style-type: none"> <li>Office of Foreign Assets Control (OFAC) with BIS/DDTC/Other terrorist watch lists</li> <li>Excluded Parties List System (EPLS)/System for Award Management (SAM)</li> <li>Office of Inspector General (OIG)</li> <li>General Service Administration (GSA)</li> <li>Department of Health &amp; Human Services (HHS)</li> <li>Food &amp; Drug Administration (FDA)</li> <li>Drug Enforcement Agency (DEA)</li> <li>Office of Research Integrity (ORI)</li> <li>Office of the Medicaid Inspector General (OMIG) <i>(East Coast requirement; as applicable)</i></li> <li>Tri-Care / NJ Department Search <i>(as applicable)</i></li> <li>Pennsylvania Medi-Check <i>(as applicable)</i></li> <li>Additional Federal &amp; State Healthcare Sanction Databases</li> </ul>
✓	X	Social Security Number Trace /Address History
✓	X	Multi-Jurisdictional (Nationwide) Criminal Background Check (includes National Sex Offender Database)
✓	X	County Criminal Background Check (7 years based on SSN trace)
✓	X	2 Professional Reference (supervisory or above)
<b>Additional Requirements on Request</b>		
	X	Education Verification – Highest Level
	X	Employment Verification – Most Recent

## • Health Status

P20 Standard	Facility Specific	Requirement
✓	X	Drug Screen* <ul style="list-style-type: none"> <li>10 Panel with Oxy/Fentanyl</li> </ul>
<b>Additional Requirements on Request</b>		
	X	TB Test (PPD) (proof of negative test within past 12 months)
		QuantiFERON-TB Gold Plus/T-Spot test (blood draw) for TB screening (in place of PPD)
	X	Physical Exam/Physician Statement (stating fit to work and free from any communicable diseases) – dated within 1 years of assignment start date
		Drug Screen* <ul style="list-style-type: none"> <li>12 Panel</li> </ul>



• **Immunizations/Titers**

P20 Standard	Facility Specific	
	X	MMR (Mumps, Measles/Rubeola, Rubella/German Measles)
	X	Hepatitis B – Or Signed Declination
	X	Varicella (Chicken Pox)
		Tdap (Tetanus, Diphtheria, Pertussis)
	X	Flu vaccine – from Oct 1 <sup>st</sup> - March 31 <sup>st</sup>
		COVID-19 test
	X	COVID-19 Vaccination Card

		Additional Facility Requirements (not listed in other sections)
	X	DL, SSC or Passport

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

**\*Drug Screen Panel Details**

10 Panel Oxy/Fent	*AMPHETAMINES --Amphetamine --Methamphetamine  *BARBITURATES --Amobarbital --Butalbital --Pentobarbital --Phenobarbital --Secobarbital	*BENZODIAZEPINES --Alprazolam Metabolite --Clonazepam Metabolite --Flunitrazepam Metabolite --Flurazepam Metabolite --Lorazepam --Midazolam Metabolite --Nordiazepam --Oxazepam --Temazepam --Triazolam Metabolite  *COCAINE METABOLITES *MARIJUANA METABOLITES *METHAQUALONE	*OPIATES --Codeine --Morphine --Hydromorphone --Hydrocodone *OXYCODONES --Oxycodone --Oxymorphone *PHENCYCLIDINE *PROPOXYPHENE *OTHER NARCOTICS --Fentanyl --Norfentanyl
12 Panel	*AMPHETAMINES --Amphetamine --Methamphetamine  *BARBITURATES --Amobarbital --Butalbital --Pentobarbital --Phenobarbital --Secobarbital	*BENZODIAZEPINES --Alprazolam Metabolite --Oxazepam --Flurazepam Metabolite --Lorazepam --Nordiazepam, --Temazepam --Triazolam Metabolite *COCAINE METABOLITES *MARIJUANA METABOLITES *METHADONE *METHAQUALONE	*MDA-ANALOGUES --MDA --MDMA --MDEA *OPIATES --Morphine --Codeine --HydroMorphone --Hydrocodone *6-ACETYLMORPHINE *OXYCODONES --Oxycodone --Oxymorphone *PHENCYCLIDINE *PROPOXYPHENE