AGREEMENT FOR SPECIALIZED LEGAL SERVICES

THIS AGREEMENT is made and entered into this 21st day of August 2018 by and between the COUNTY OF FRESNO, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Fishman, Larsen & Callister, a Professional Corporation, hereinafter referred to as "ATTORNEY."

WITNESSETH:

WHEREAS, COUNTY is in the process of the administration and defense of General Liability, Auto Liability and Medical Malpractice claims against COUNTY employee(s).

WHEREAS, COUNTY needs and wishes to engage appropriate legal counsel, who is skilled and knowledgeable in defense of General Liability claims or other claims that are covered under the County's General Liability and Medical Malpractice Programs, and to advise and represent COUNTY employee(s) in connection with the matters, as provided herein; and

WHEREAS, ATTORNEY states that it is experienced, possesses expertise in such matters, and is willing to perform said services,

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the Parties hereto agree as follows:

SECTION 1

ENGAGEMENT OF ATTORNEY

- 1.1 COUNTY hereby engages ATTORNEY as an independent contractor, and any associated staff ATTORNEY and paralegals or other legal support staff as ATTORNEY deems necessary, and whom COUNTY Human Resources Department, Risk Management Division approves pursuant to Section 5 of this Agreement.
- 1.2 Each claim will be handled by the ATTORNEY to which the assignment is made unless COUNTY approves the handling by another ATTORNEY in the firm. Associated staff may assist the ATTORNEY as deemed necessary.
- 1.3 Any additional instructions relative to the handling of a claim which are not specified or otherwise alluded to in this Agreement will be included in the letter of engagement

for each claim assigned to ATTORNEY. Such instructions will be complied with by ATTORNEY as well as any additional client direction in the management of the claim.

SECTION 2

SCOPE OF SERVICES

- 2.1 ATTORNEY shall assist, advise, and represent COUNTY employee(s) in connection with all matters relative to the administration and defense of the claims assigned by Human Resources Department, Risk Management Division staff, as specified by COUNTY and pursuant to the terms set forth in this Agreement.
- 2.2 ATTORNEY shall perform such other similar legal services as requested by COUNTY Risk Management in connection with the matters related to the administration and defense of the assigned claims.

SECTION 3

PERFORMANCE BY ATTORNEY

- 3.1 ATTORNEY agrees to avoid unnecessary duplicative efforts by ATTORNEY and any associated counsel and/or staff members of ATTORNEY in the performance of services for COUNTY hereunder.
- 3.2 COUNTY shall not be obligated to compensate ATTORNEY for intra-office conferences between or among ATTORNEY, associate ATTORNEYs, and/or other staff members, unless such intra-office conferences promote efficiency in the performance of ATTORNEY'S work on a matter, or a reduction in the cost of compensation paid or reimbursement made for related, actual, reasonable and necessary, out-of-pocket expenses to ATTORNEY, or both.
- 3.3 In the performance of the tasks identified in Section 2 of this Agreement,
 ATTORNEY shall provide only those services which are necessary to carry out such tasks in an
 efficient and effective manner.
- 3.4 COUNTY must approve the retention of all experts, consultants, investigators, and any other unusual expenditures.

SECTION 4

COMPENSATION OF ATTORNEY

- 4.1 COUNTY shall be obligated to compensate ATTORNEY pursuant to the terms and conditions of this Agreement and for the performance of those tasks identified in Section 2 of this Agreement, to the reasonable satisfaction of the COUNTY, that take place during the term of this Agreement. It is understood that COUNTY shall not be obligated to compensate ATTORNEY for:
- (a) any work, services, or functions performed by ATTORNEY that do not arise directly from the performance of tasks identified in Section 2 of this Agreement; and
- (b) providing COUNTY with documentation, explanations, or justifications concerning the adequacy or accuracy of ATTORNEY's invoices for the performance of services under this Agreement, and resolving same to the reasonable satisfaction of COUNTY.
- 4.2 COUNTY agrees to pay and ATTORNEY agrees to accept as full compensation for performance of tasks under this Agreement ATTORNEY's reasonable fees as described in Attachment A, Schedule of Rates. These scheduled rates may be increased up to Five percent (5%) after the third (3rd) year of this Agreement with approval from the Director of Human Resources.
- 4.3 ATTORNEY shall be reimbursed for actual, reasonable, and necessary out-of-pocket expenses, as follows: telephone charges, facsimile charges, computer research charges, filing fees, postage charges, printing and photographic reproduction expenses, and all other directly-related expenses. It is understood that ATTORNEY shall not be reimbursed for his secretarial, clerical, word processing or typist services (including overtime hours worked), that is "normal office operating expenses," with the exception of those charges and expenses stated above. In addition, ATTORNEY shall not be reimbursed for such normal office operating expenses incurred, regardless of who performs such services or incurs such expenses.
- 4.4 COUNTY will not reimburse ATTORNEY for any travel within the cities of Fresno and Clovis.

4.5 Notwithstanding anything else stated to the contrary in this Agreement, in no event shall the maximum amount paid by COUNTY to ATTORNEY as compensation, and as reimbursement of related, actual, reasonable and necessary, out-of-pocket expenses, exceed seven hundred and fifty thousand dollars (\$750,000.00) annually.

SECTION 5

PAYMENT AND RECORD-KEEPING

- Subject to Section 4 of this Agreement, payment of compensation for the services provided and reimbursement for related, actual, reasonable and necessary, out-of-pocket expenses incurred which are described herein shall be made by COUNTY after submission of an itemized invoice by ATTORNEY to Human Resources Department, Risk Management Division. ATTORNEY shall submit such invoices no later than the twentieth (20th) day of the month following the month services are completed, unless the bill totals less than one hundred dollars (\$100). The file will not be billed until the total reaches at least one hundred dollars (\$100) or the claim is closed. All payments by COUNTY will be made within forty-five (45) days after receipt, verification and approval of ATTORNEY'S invoices by COUNTY'S Human Resources Department, Risk Management Division.
- 5.2 All such invoices shall have sufficient detail as may be required by the COUNTY Auditor-Controller/Treasurer-Tax Collector, including, but not limited to:
- 5.2.1 The plaintiff's name, the date of loss, the COUNTY's claim number and any other identifying information that will indicate the file to which billing is to be assigned.
 - 5.2.2 The specific nature of each task performed as services under this Agreement;
 - 5.2.3 The name of the ATTORNEY or staff member performing each task:
 - 5.2.4 The number of hours worked by each such person for each such task;
 - 5.2.5 The hourly rate per each such person performing each such task;
- 5.2.6 The related, actual, reasonable and necessary, out-of-pocket expenses incurred, as provided for in Section 4 of this Agreement;

- 5.2.7 A certification by ATTORNEY that each such invoice is true and accurate as to the information and specification contained therein;
- 5.3 In addition to the requirements of Section 5.2, each invoice shall set forth a summary of hours worked by each ATTORNEY and staff member for the applicable billing period. Each invoice shall set forth the product of such summary of hours worked by each person multiplied by each such person's billing rate, as set forth in Attachment A, Schedule of Rates.
- 5.4 In preparing invoices, if requested by COUNTY Human Resources Department, Risk Management Division, ATTORNEY shall segregate each task performed on a daily basis. If so requested by COUNTY, ATTORNEY shall not combine unrelated tasks as a single entry in lieu of setting forth the hours of work performed by an ATTORNEY or staff member on each specific task.
- 5.5 ATTORNEY shall prepare all invoices in an organized manner that facilitates an efficient review of the services performed and the expenses incurred in order to provide COUNTY with a clear and complete picture of how much time was devoted to specific tasks and projects, and the cost associated therewith.
- 5.6 ATTORNEY shall keep complete records of the services provided, as described in this Section 5, together with all related actual, reasonable and necessary, out-of-pocket expenses applicable to the work provided under this Agreement. The County Auditor-Controller/Treasurer-Tax Collector, or his or her duly authorized representatives, shall be given reasonable access to all of these records for the purposes of audit of this Agreement. In addition, ATTORNEY shall be subject to the examination and audit of such records by the State Auditor for a period of three (3) years after final payment under this Agreement, pursuant to Government Code section 8546.7, as applicable.
- 5.7 Attorney shall provide to COUNTY a W-9, 1099 and CA Form 590 as appropriate upon execution of the agreement and annually thereafter.

SECTION 6

TERM OF AGREEMENT

6.1 This Agreement is effective beginning July 9, 2018 and shall continue in effect through the 8th day of June 2021 and shall automatically be extended for up to two (2) additional twelve (12) month periods upon the same terms and conditions herein set forth, unless earlier terminated hereunder by either or both parties. COUNTY may terminate this Agreement at any time for any reason by providing written notice to ATTORNEY. ATTORNEY may terminate this Agreement for material breach after giving COUNTY written notice and 10 days to correct the breach. However, COUNTY's rights under any pending matter which may arise from ATTORNEY's service hereunder shall not be prejudiced due to such termination, as required by the Rules of Professional Conduct of the State Bar of California. Subject to Section 4 of this Agreement, ATTORNEY shall be paid for all services performed to the reasonable satisfaction of the COUNTY, to the date of termination of this Agreement.

SECTION 7

INDEPENDENT CONTRACTOR

- 7.1 In performance of the work, duties, and obligations assumed by ATTORNEY under this Agreement, it is mutually understood and agreed that ATTORNEY, including any and all of ATTORNEY's officers, agents, and employees, will at all times be acting and performing as an independent contractor, and shall act in an independent capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate of COUNTY. However, COUNTY shall retain the right to administer this Agreement to verify that ATTORNEY is performing its obligations in accordance with the terms and conditions thereof. ATTORNEY and COUNTY shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over the subject matter thereof.
- 7.2 Because of its status as an independent contractor, ATTORNEY, including any and all of ATTORNEY's officers, agents, and employees, shall have absolutely no right to employment rights and benefits available to COUNTY employees. ATTORNEY shall be solely

liable and responsible for providing to, or on behalf of, its employees all legally required employee benefits. In addition, ATTORNEY shall be solely responsible and hold COUNTY harmless from all matters related to payment of ATTORNEY's employees, including compliance with social security, withholding, and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, ATTORNEY may be providing services to others unrelated to the COUNTY or to this Agreement.

SECTION 8

HOLD HARMLESS

8.1 ATTORNEY shall hold COUNTY, its officers, agents, and employees harmless and indemnify and defend COUNTY, its officers, agents, and employees against payment of any and all costs and expenses (to include legal fees and court costs), claims, suits, losses, damages, and liability alleging any wrongful acts or omissions of ATTORNEY, including its officers, agents, and employees, in performing or failing to perform the services provided herein. COUNTY's receipt of any insurance certificates required herein does not in any way relieve ATTORNEY from the obligations under this Section 8 of the Agreement.

SECTION 9

INSURANCE

9.1 Professional Liability

ATTORNEY shall maintain Professional Liability Insurance with limits of not less than one million dollars (\$1,000,000.00) per occurrence and three million dollars (\$3,000,000.00) annual aggregate. ATTORNEY shall provide COUNTY with written evidence of such coverage. This coverage may be issued on a per claim basis. If so, ATTORNEY agrees that it shall maintain, at its sole expense, so-called "tail coverage" in full force and effect for a period of three (3) years following the termination of this Agreement, which shall be one or more policies of professional liability insurance with limits of coverage as specified herein.

9.2 Automobile Liability

ATTORNEY shall maintain Comprehensive Automobile Liability Insurance with limits for bodily injury of not less than two hundred fifty thousand dollars (\$250,000.00) per person, five hundred thousand dollars (\$500,000.00) per accident, and for property damages of not less than fifty thousand dollars (\$50,000.00), or such coverage with a combined single limit of five hundred thousand dollars (\$500,000.00). Coverage shall include owned and non-owned vehicles used in connection with this Agreement.

9.3 <u>Commercial General Liability</u>

ATTORNEY shall maintain Commercial General Liability Insurance with limits of not less than one million dollars (\$1,000,000.00) per occurrence and an annual aggregate of two million dollars (\$2,000,000.00). This policy shall be issued on a per- occurrence basis. COUNTY may require specific coverage including completed operations, product liability, contractual liability, explosion-collapse-underground liability, fire legal liability, or any other liability insurance deemed necessary because of the nature of the contract.

9.4 Workers' Compensation

ATTORNEY shall maintain a policy of Workers' Compensation insurance as may be required by the California Labor Code.

SECTION 10

ADDITIONAL INSURANCE TERMS

10.1 ATTORNEY shall obtain endorsements to the Commercial General Liability insurance naming the County of Fresno, its officers, agents, and employees, individually and collectively, as additional insured, but only insofar as the operations under this Agreement are concerned. Such coverage for additional insured shall apply as primary insurance and any other insurance, or self-insurance, maintained by County, its officers, agents and employees shall be excess only and not contributing with insurance provided under ATTORNEY's policies herein. This insurance shall not be cancelled or changed without a minimum of thirty (30) days advance written notice given to COUNTY.

10.2 Within thirty (30) days from the date ATTORNEY executes this Agreement, ATTORNEY shall provide certificates of insurance and endorsement as stated above for all of the foregoing policies, as required in Section 9 herein, to COUNTY, Human Resources Department, Risk Management Division, stating that such insurance coverage has been obtained and is in full force and effect; that COUNTY, its officers, agents and employees, individually and collectively, have been named as additional insured, but only insofar as the operations under this Agreement are concerned.

- 10.3 In the event ATTORNEY fails to keep in effect at all times insurance coverage as herein provided, the COUNTY may, in addition to other remedies it may have, suspend or terminate this Agreement upon the occurrence of such event.
- 10.4 All policies shall be with admitted insurers licensed to do business in the State of California. Insurance purchased shall be purchased from companies possessing a current A.M. Best, Inc. rating of A, FSC VII or better.

SECTION 11

AGREEMENT BINDING ON SUCCESSORS

11.1 This Agreement shall be binding upon COUNTY and ATTORNEY and their successors, executors, administrators, legal representatives, and assigns with respect to all the covenants and conditions set forth herein.

SECTION 12

ASSIGNMENT AND SUBCONTRACTING

12.1 Neither party hereto shall assign, transfer, or sub-contract neither this Agreement nor its rights nor duties hereunder without the written consent of the other. County Risk Manager, or his or her designee, may give such consent on behalf of the COUNTY, provided however, the assignee, transferee or sub-contractor shall carry insurance of a type and in an amount that is acceptable to COUNTY's Risk Manager, or his or her designee.

SECTION 13

<u>AMENDMENTS</u>

13.1 This Agreement may be amended only in writing signed by the Parties hereto.

SECTION 14

CONFLICT OF INTEREST

14.1 ATTORNEY promises, covenants, and warrants that the performance of their services and representation of COUNTY under this Agreement do not result in a "conflict of interest" as that term is used in the Rules of Professional Conduct of the State Bar of California. In the event a "conflict of interest" occurs, ATTORNEY will request that COUNTY waive such "conflict of interest" on a case-by-case basis. If the COUNTY does not waive the conflict, ATTORNEY must resolve the conflicting issue in the favor of COUNTY.

SECTION 15

FURTHER ASSURANCES BY ATTORNEYS

15.1 ATTORNEY represents that it has read and is familiar with Government Code Section 1090 *et seq.* and Section 87100 *et seq.* ATTORNEY promises, covenants, and warrants that the performance of its services under this Agreement shall not result in or cause a violation of Government Code Section 1090 *et seq.* and Section 87100 *et seq.*

SECTION 16

COMPLIANCE WITH LAWS

16.1 ATTORNEY shall comply with all federal, state, and local laws and regulations applicable to the performance of its obligations under this Agreement and maintain all licenses as required in the performance of its duties.

SECTION 17

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT

The parties to this Agreement shall be in strict conformance with all applicable Federal and State of California laws and regulations, including, but not limited to Sections 5328, 10850, and 14100.2 *et seq.* of the Welfare and Institutions Code, Sections 2.1 and 431.300 *et seq.* of Title 42, Code of Federal Regulations (CFR), Section 56 *et seq.* of the California Civil Code, Sections 11977 and 11812 of Title 22 of the California Code of Regulations, and the Health Insurance Portability and Accountability Act (HIPAA), including but not limited to Section 1320 D *et seq.* of Title 42, United States Code (USC) and its implementing regulations, including, but not limited to, Title 45, CFR, Sections 142, 160, 162, and 164, The Health Information Technology for Economic and Clinical Health Act (HITECH) regarding the confidentiality and security of patient information, and the Genetic Information Nondiscrimination Act (GINA) of 2008 regarding the confidentiality of genetic information.

Except as otherwise provided in this Agreement, ATTORNEY, as a Business Associate of COUNTY, may use or disclose Protected Health Information (PHI) to perform functions, activities or services for or on behalf of COUNTY, as specified in this Agreement, provided that such use or disclosure shall not violate the Health Insurance Portability and Accountability Act (HIPAA), USC 1320d *et seq.* The uses and disclosures of PHI may not be more expansive than those applicable to COUNTY, as the "Covered Entity" under the HIPAA Privacy Rule (45 CFR 164.500 *et seq.*), except as authorized for management, administrative or legal responsibilities of the Business Associate.

17.2 ATTORNEY, including its subcontractors and employees, shall protect from unauthorized access, use, or disclosure of names and other identifying information, including genetic information, concerning persons receiving services pursuant to this Agreement, except where permitted in order to carry out data aggregation purposes for health care operations [45 CFR Sections 164.504 (e)(2)(i), 164.504 (3)(2)(ii)(A), and 164.504 (e)(4)(i)]. This pertains to any and all persons receiving services pursuant to a COUNTY funded program. This

requirement applies to electronic PHI. ATTORNEY shall not use such identifying information or genetic information for any purpose other than carrying out ATTORNEY's obligations under this Agreement.

- 17.3 ATTORNEY, including its subcontractors and employees, shall not disclose any such identifying information or genetic information to any person or entity, except as otherwise specifically permitted by this Agreement, authorized by Subpart E of 45 CFR Part 164 or other law, required by the Secretary, or authorized by the client/patient in writing. In using or disclosing PHI that is permitted by this Agreement or authorized by law, ATTORNEY shall make reasonable efforts to limit PHI to the minimum necessary to accomplish intended purpose of use, disclosure or request.
- 17.4 For purposes of the above sections, identifying information shall include, but not be limited to, name, identifying number, symbol, or other identifying particular assigned to the individual, such as fingerprint or voiceprint, or photograph.
- 17.5 For purposes of the above sections, genetic information shall include genetic tests of family members of an individual or individual(s), manifestation of disease or disorder of family members of an individual, or any request for or receipt of genetic services by individual or family members. Family member means a dependent or any person who is first, second, third, or fourth degree relative.
- and manner designated by COUNTY, to PHI in a designated record set (as defined in 45 CFR Section 164.501), to an individual or to COUNTY in order to meet the requirements of 45 CFR Section 164.524 regarding access by individuals to their PHI. With respect to individual requests, access shall be provided within thirty (30) days from request. Access may be extended if ATTORNEY cannot provide access and provides individual with the reasons for the delay and the date when access may be granted. PHI shall be provided in the form and format requested by the individual or COUNTY.

ATTORNEY shall make any amendment(s) to PHI in a designated record set at the

request of COUNTY or individual, and in the time and manner designated by COUNTY in accordance with 45 CFR Section 164.526.

ATTORNEY shall provide to COUNTY or to an individual, in a time and manner designated by COUNTY, information collected in accordance with 45 CFR Section 164.528, to permit COUNTY to respond to a request by the individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

17.7 ATTORNEY shall report to COUNTY, in writing, any knowledge or reasonable belief that there has been unauthorized access, viewing, use, disclosure, security incident, or breach of unsecured PHI not permitted by this Agreement of which it becomes aware, immediately and without reasonable delay and in no case later than two (2) business days of discovery. Immediate notification shall be made to COUNTY's Information Security Officer and Privacy Officer and COUNTY's DPH HIPAA Representative, within two (2) business days of discovery. The notification shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed to have been, accessed, acquired, used, disclosed, or breached. ATTORNEY shall take prompt corrective action to cure any deficiencies and any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations. ATTORNEY shall investigate such breach and is responsible for all notifications required by law and regulation or deemed necessary by COUNTY and shall provide a written report of the investigation and reporting required to COUNTY's Information Security Officer and Privacy Officer and COUNTY's DPH HIPAA Representative.

This written investigation and description of any reporting necessary shall be postmarked within the thirty (30) working days of the discovery of the breach to the addresses below:

County of Fresno Dept. of Public Health Svcs. HIPAA Representative (559) 600-6439 P.O. Box 11867 Fresno, CA 93775 17.8 17.9

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

County of Fresno Dept. of Public Health Privacy Officer (559) 600-6405 P.O. Box 11867 Fresno, CA 93775

County of Fresno Information Technology Information Security Officer (559) 600-5800 2048 N. Fine Street Fresno, CA 93727

ATTORNEY shall make its internal practices, books, and records relating to the use and disclosure of PHI received from COUNTY, or created or received by the ATTORNEY on behalf of COUNTY, in compliance with HIPAA's Privacy Rule, including, but not limited to, the requirements set forth in Title 45, CFR, Sections 160 and 164. ATTORNEY shall make its internal practices, books, and records relating to the use and disclosure of PHI received from COUNTY, or created or received by the ATTORNEY on behalf of COUNTY, available to the United States Department of Health and Human Services (Secretary) upon demand.

ATTORNEY shall cooperate with the compliance and investigation reviews conducted by the Secretary. PHI access to the Secretary must be provided during the ATTORNEY's normal business hours; however, upon exigent circumstances access at any time must be granted. Upon the Secretary's compliance or investigation review, if PHI is unavailable to ATTORNEY and in possession of a Subcontractor, it must certify efforts to obtain the information to the Secretary.

Safeguards

ATTORNEY shall implement administrative, physical, and technical safeguards as required by the HIPAA Security Rule, Subpart C of 45 CFR 164, that reasonably and appropriately protect the confidentiality, integrity, and availability of PHI, including electronic PHI, that it creates, receives, maintains or transmits on behalf of COUNTY and to prevent unauthorized access, viewing, use, disclosure, or breach of PHI other than as provided for by this Agreement. ATTORNEY shall conduct an accurate and thorough assessment of the potential risks and vulnerabilities to the confidentiality, integrity and availability of electronic PHI. ATTORNEY shall develop and maintain a written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of ATTORNEY's operations and the nature and scope of its activities. Upon

COUNTY's request, ATTORNEY shall provide COUNTY with information concerning such safeguards.

ATTORNEY shall implement strong access controls and other security safeguards and precautions in order to restrict logical and physical access to confidential, personal (e.g., PHI) or sensitive data to authorized users only. Said safeguards and precautions shall include the following administrative and technical password controls for all systems used to process or store confidential, personal, or sensitive data:

- 1. Passwords must <u>not</u> be:
- a. Shared or written down where they are accessible or recognizable by anyone else; such as taped to computer screens, stored under keyboards, or visible in a work area;
 - b. A dictionary word; or
 - c. Stored in clear text
 - 2. Passwords must be:
 - a. Eight (8) characters or more in length;
 - b. Changed every ninety (90) days;
 - c. Changed immediately if revealed or compromised; and
- d. Composed of characters from at least three (3) of the following four (4) groups from the standard keyboard:
 - 1) Upper case letters (A-Z);
 - Lowercase letters (a-z);
 - 3) Arabic numerals (0 through 9); and
 - 4) Non-alphanumeric characters (punctuation

symbols).

ATTORNEY shall implement the following security controls on each workstation or portable computing device (e.g., laptop computer) containing confidential, personal, or sensitive data:

- Network-based firewall and/or personal firewall;
- 2. Continuously updated anti-virus software; and
- 3. Patch management process including installation of all operating system/software vendor security patches.

ATTORNEY shall utilize a commercial encryption solution that has received FIPS 140-2 validation to encrypt all confidential, personal, or sensitive data stored on portable electronic media (including, but not limited to, compact disks and thumb drives) and on portable computing devices (including, but not limited to, laptop and notebook computers).

ATTORNEY shall not transmit confidential, personal, or sensitive data via e-mail or other internet transport protocol unless the data is encrypted by a solution that has been validated by the National Institute of Standards and Technology (NIST) as conforming to the Advanced Encryption Standard (AES) Algorithm. ATTORNEY must apply appropriate sanctions against its employees who fail to comply with these safeguards. ATTORNEY must adopt procedures for terminating access to PHI when employment of employee ends.

17.10 Mitigation of Harmful Effects

ATTORNEY shall mitigate, to the extent practicable, any harmful effect that is suspected or known to ATTORNEY of an unauthorized access, viewing, use, disclosure, or breach of PHI by ATTORNEY or its subcontractors in violation of the requirements of these provisions.

ATTORNEY must document suspected or known harmful effects and the outcome.

17.11 ATTORNEY's Subcontractors

ATTORNEY shall ensure that any of its contractors, including subcontractors, if applicable, to whom ATTORNEY provides PHI received from or created or received by ATTORNEY on behalf of COUNTY, agree to the same restrictions, safeguards, and conditions that apply to ATTORNEY with respect to such PHI and to incorporate, when applicable, the relevant provisions of these provisions into each subcontract or sub-award to such agents or subcontractors.

17.12 Employee Training and Discipline

ATTORNEY shall train and use reasonable measures to ensure compliance with the requirements of these provisions by employees who assist in the performance of functions or activities on behalf of COUNTY under this Agreement and use or disclose PHI, and discipline such employees who intentionally violate any provisions of these provisions, including termination of employment.

17.13 Termination for Cause

Upon COUNTY's knowledge of a material breach of these provisions by ATTORNEY, COUNTY shall either:

- Provide an opportunity for ATTORNEY to cure the breach or end the violation and terminate this Agreement if ATTORNEY does not cure the breach or end the violation within the time specified by COUNTY; or
- 2. Immediately terminate this Agreement if ATTORNEY has breached a material term of these provisions and cure is not possible.
- If neither cure nor termination is feasible, the COUNTY's Privacy Officer shall report the violation to the Secretary of the U.S. Department of Health and Human Services.

17.14 <u>Judicial or Administrative Proceedings</u>

COUNTY may terminate this Agreement in accordance with the terms and conditions of this Agreement as written hereinabove, if: (1) ATTORNEY is found guilty in a criminal proceeding for a violation of the HIPAA Privacy or Security Laws or the HITECH Act; or (2) a finding or stipulation that the ATTORNEY has violated a privacy or security standard or requirement of the HITECH Act, HIPAA or other security or privacy laws in an administrative or civil proceeding in which the ATTORNEY is a party.

17.15 Effect of Termination

Upon termination or expiration of this Agreement for any reason, ATTORNEY shall return or destroy all PHI received from COUNTY (or created or received by ATTORNEY on behalf of COUNTY) that ATTORNEY still maintains in any form, and shall retain no copies of

17.16 Disclaimer

COUNTY makes no warranty or representation that compliance by ATTORNEY with these provisions, the HITECH Act, HIPAA or the HIPAA regulations will be adequate or satisfactory for ATTORNEY's own purposes or that any information in ATTORNEY's possession or control, or transmitted or received by ATTORNEY, is or will be secure from unauthorized access, viewing, use, disclosure, or breach. ATTORNEY is solely responsible for all decisions made by ATTORNEY regarding the safeguarding of PHI.

such PHI. If return or destruction of PHI is not feasible, it shall continue to extend the

protections of these provisions to such information, and limit further use of such PHI to those

to PHI that is in the possession of subcontractors or agents, if applicable, of ATTORNEY. If

ATTORNEY destroys the PHI data, a certification of date and time of destruction shall be

purposes that make the return or destruction of such PHI infeasible. This provision shall apply

17.17 Amendment

provided to the COUNTY by ATTORNEY.

The parties acknowledge that Federal and State laws relating to electronic data security and privacy are rapidly evolving and that amendment of these provisions may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to amend this agreement in order to implement the standards and requirements of HIPAA, the HIPAA regulations, the HITECH Act and other applicable laws relating to the security or privacy of PHI. COUNTY may terminate this Agreement upon thirty (30) days written notice in the event that ATTORNEY does not enter into an amendment providing assurances regarding the safeguarding of PHI that COUNTY in its sole discretion, deems sufficient to satisfy the standards and requirements of HIPAA, the HIPAA regulations and the HITECH Act.

17.18 No Third-Party Beneficiaries

Nothing expressed or implied in the terms and conditions of these provisions is intended to confer, nor shall anything herein confer, upon any person other than COUNTY or

ATTORNEY and their respective successors or assignees, any rights, remedies, obligations or liabilities whatsoever.

17.19 Interpretation

The terms and conditions in these provisions shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HIPAA regulations and applicable State laws. The parties agree that any ambiguity in the terms and conditions of these provisions shall be resolved in favor of a meaning that complies and is consistent with HIPAA and the HIPAA regulations.

17.20 Regulatory References

A reference in the terms and conditions of these provisions to a section in the HIPAA regulations means the section as in effect or as amended.

17.21 Survival

The respective rights and obligations of ATTORNEY as stated in this Section shall survive the termination or expiration of this Agreement.

17.22 No Waiver of Obligation

No change, waiver or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation on any other occasion.

SECTION 18

GOVERNING LAW

- 18.1 The rights and obligations of the parties and all interpretations and performance of this Agreement shall be governed in all respects by the laws of the State of California.
- 18.2 Venue for any action arising out of or related to this Agreement shall only be in Fresno County, California.

SECTION 19

DISCLOSURE OF SELF-DEALING TRANSACTIONS

- 19.1 This provision is only applicable if the CONTRACTOR is operating as a corporation (a for-profit or non-profit corporation) or if, during the term of the agreement, the CONTRACTOR changes its status to operate as a corporation.
- dealing transactions that they are a party to while CONTRACTOR is providing goods or performing services under this agreement. A self-dealing transaction shall mean a transaction to which the CONTRACTOR is a party and in which one or more of its directors has a material financial interest. Members of the Board of Directors shall disclose any self-dealing transactions that they are a party to by completing and signing a Self-Dealing Transaction Disclosure Form, attached hereto as Attachment B and incorporated herein by reference, and submitting it to the COUNTY prior to commencing with the self-dealing transaction or immediately thereafter.

SECTION 20

NOTICES

20.1 The persons and their addresses having authority to give and receive notices under this Agreement include the following:

COUNTY
County of Fresno
ATTN: Paul Nerland
Director of Human Resources
2220 Tulare Street, 16th Floor
Fresno, CA 93721

ATTORNEY
Fishman, Larsen & Callister
ATTN: Doug Larsen
7112 North Fresno Street, Suite 450

Fresno CA 93720

20.2 All notices between the COUNTY and CONTRACTOR provided for or permitted under this Agreement must be in writing and delivered either by personal service, by first-class United States mail, by an overnight commercial courier service, or by telephonic facsimile transmission. A notice delivered by personal service is effective upon service to the recipient. A notice delivered by first-class United States mail is effective three COUNTY business days after deposit in the United States mail, postage prepaid, addressed to the recipient. A notice

delivered by an overnight commercial courier service is effective one COUNTY business day after deposit with the overnight commercial courier service, delivery fees prepaid, with delivery instructions given for next day delivery, addressed to the recipient. A notice delivered by telephonic facsimile is effective when transmission to the recipient is completed (but, if such transmission is completed outside of COUNTY business hours, then such delivery shall be deemed to be effective at the next beginning of a COUNTY business day), provided that the sender maintains a machine record of the completed transmission. For all claims arising out of or related to this Agreement, nothing in this section establishes, waives, or modifies any claims presentation requirement or procedures provided by law, including but not limited to the Government Claims Act (Division 3.6 of Title 1 of the Government Code, beginning with section 810).

SECTION 21

ENTIRE AGREEMENT

- 21.1 This Agreement, and any and all documents referred to or otherwise incorporated by reference herein, constitutes the entire Agreement between COUNTY and ATTORNEY with respect to the specialized legal services to be provided herein and supersedes any previous Agreement concerning the subject matter hereof, negotiations, proposals, commitments, writings, or understandings of any nature whatsoever unless expressly included in this Agreement.
- 21.2 If any part of this Agreement is found violative of any law or is found to be otherwise legally defective, ATTORNEY and COUNTY shall use their best efforts to replace that part of this Agreement with legal terms and conditions most readily approximating the original intent of the parties.

| 1 | Agreements | |
|-----------------------|---|---|
| 2 | IN WITNESS WHEREOF, the | parties hereto have executed this Agreement as of |
| 3 | the day and year first hereinabove written. | |
| 4 5 6 7 8 | ATTORNEY (Authorized Signature) Doug Latsen Tree-Tent Print Name & Title Frishman Latsen & Calltster 7(12 N. Fredro St. Suite 450 | Sal Quintero, Chairperson of the Board of Supervisors of the County of Fresno |
| 10 11 12 13 | Fresno CA 93720 Mailing Address | ATTEST: Bernice E. Seidel Clerk of the Board of Supervisors County of Fresno, State of California |
| 14 15 16 17 | FOR ACCOUNTING USE ONLY: | By: Susan Bishop Deputy |
| 18 19 20 21 | Org 89250100 Account No.: 7100 Requisition No.: 8921600196 | |

ATTACHMENT A SCHEDULE OF RATES FISHMAN, LARSEN & CALLISTER

Partners: \$300.00 per hour

Associates: \$200.00 per hour

Paralegals: \$145.00 per hour