

# Contract Review Sheet

Contract for Services

**HE-4404-21 - Am2**

Title: Public Health Medical Director-Caroline Grady Castillo

Contractor's Name: Caroline Grady Castillo

Department: Health and Human Services

Contact: Diana Lee Adams Hill

Analyst: Sandra Fixsen

Phone #: (503) 576-4652

Term - Date From: November 14, 2021

Expires: December 31, 2025

Original Contract Amount: \$ 200,000.00

Previous Amendments Amount: \$ 500,000.00

Current Amendment: \$ 100,000.00

New Contract Total: \$ 800,000.00

Amd% 300%

Outgoing Funds  Federal Funds  Reinstatement  Retroactive  Amendment greater than 25%

Source Selection Method: 50-0160 Health Provider Contracts

## Description of Services or Grant Award

Contractor will provide Medical Director services to County's Public Health Program. Contractor will also serve a health officer role to promote population based health.

Amendment 1 to add additional two years to contract, add additional funds of \$500,000, and increase dollar amount for method of payment

**Amendment 2 extends contract for one year to 12/31/2025 and add additional funds of \$100,000.00. New Total contract amount is \$800,000.**

Desired BOC Session Date: 10/30/2024

Contract should be in DocuSign by: 10/9/2024

Agenda Planning Date: 10/17/2024

Printed packets due in Finance: 10/15/2024

Management Update: 10/15/2024

BOC upload / Board Session email: 10/16/2024

BOC Session Presenter(s) Wendy Zieker

Code: Y

## REQUIRED APPROVALS

DocuSigned by:  
  
 E4592AE8CAA542C  
 Finance - Contracts 9/27/2024  
 Date

DocuSigned by:  
  
 324AF7275637456...  
 Contract Specialist 9/27/2024  
 Date

Signed by:  
  
 60C98A6F708240B...  
 Legal Counsel 9/27/2024  
 Date

DocuSigned by:  
  
 DC16351248DE4EC...  
 Chief Administrative Officer 9/27/2024  
 Date



MARION COUNTY BOARD OF COMMISSIONERS

**Board Session Agenda Review Form**

Meeting date: October 30, 2024

Department: Health & Human Services

Title: HE-4404-21 Amd 2 Public Health Medical Director - Dr. Caroline Grady Castillo

Management Update/Work Session Date: October 15, 2024 Audio/Visual aids

Time Required: 10 Minutes Contact: Diana Lee Adams Hill Phone: 503-576-4652

Requested Action: HHS recommends approval of HE-4404-21, Amd 2

Issue, Description & Background: Contractor will provide Medical Director services to County's Public Health Program. Contractor will also serve a health officer role to promote population based health.  
  
Amendment 1 to add additional two years to contract, add additional funds of \$500,000, and increase dollar amount for method of payment  
  
Amendment 2 extends contract for one year to 12/31/2025 and adds additional funds of \$100,000.00. New contract total of \$800,000.00

Financial Impacts: Amd 2 adds \$100,000. Total not to exceed \$800,000

Impacts to Department & External Agencies: HHS does not anticipate any impacts to other departments

List of attachments: HE-4404-21 Original Contract, Amd 1, Amd 2

Presenter: Wendy Zieker

Department Head Signature: DocuSigned by:  
*Ryan Matthews*  
7D28A787656F458...



**Marion County**  
OREGON

**AMENDMENT 2 to HE-4404-21  
the CONTRACT FOR SERVICES  
between  
MARION COUNTY and CAROLINE GRADY CASTILLO**

This Amendment 2 to the Contract for Services (as amended from time to time, the “Contract”), dated November 14, 2021, between Marion County, a political subdivision of the State of Oregon, hereafter called County, and Caroline Grady Castillo, hereafter called Contractor.

The Contract is hereby amended as follows (new language is indicated by underlining and deleted language is indicated by ~~striketrough~~):

**1. TERM.** This Contract is effective on the date it has been signed by all parties and all required County approvals have been obtained. This Contract expires December 31, 2025, ~~December 31, 2024~~. ~~The parties may extend the term of this Contract provided that the total term does not extend beyond December 31, 2025.~~

**2. CONSIDERATION.**

A. The maximum, not-to-exceed compensation payable to Contractor under this Contract, which includes any allowable expenses, is \$800,000.00 ~~\$700,000.00~~. County will not pay contractor any amount in excess of the not-to-exceed compensation of this Contract for completing the Work, and will not pay for Work performed before the date this Contract becomes effective or after the termination of this Contract. If the maximum compensation is increased by amendment of this Contract, the amendment must be fully effective before Contractor performs Work subject to the amendment.

**EXHIBIT A  
STATEMENT OF WORK**

**2. COMPENSATION.** The total amount available for payment to Contractor under Exhibit A, section 2.A and for authorized reimbursement to Contractor under Exhibit A, section 2.C is \$800,000.00 ~~\$700,000.00~~.

Except as expressly amended above, all other terms and conditions of the original contract are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the original Contract are true and correct as of the effective date of this Amendment and with the same effect as though made at the time of this Amendment.


*See signatures next page*

**MARION COUNTY SIGNATURES  
BOARD OF COMMISSIONERS:**


Chair \_\_\_\_\_ Date \_\_\_\_\_

Commissioner \_\_\_\_\_ Date \_\_\_\_\_

Commissioner \_\_\_\_\_ Date \_\_\_\_\_

Authorized Signature:  DocuSigned by:  
7D28A787666F458... \_\_\_\_\_ 9/27/2024  
Department Director or designee Date

Authorized Signature:  DocuSigned by:  
DC46351248DE4EC... \_\_\_\_\_ 9/27/2024  
Chief Administrative Officer Date

Reviewed by Signature:  Signed by:  
60C98A6F708240B... \_\_\_\_\_ 9/27/2024  
Marion County Legal Counsel Date

Reviewed by Signature:  DocuSigned by:  
E4692AF8CAA642C... \_\_\_\_\_ 9/27/2024  
Marion County Contracts & Procurement Date

**CAROLINE GRADY CASTILLO SIGNATURE**

Authorized Signature: \_\_\_\_\_ Date \_\_\_\_\_

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

## REQUEST FOR AUTHORIZATION OF CONTRACT HE-4404-21

**Date:** November 1, 2022  
**To:** Chief Administrative Officer  
**Cc:** Contract File  
**From:** Sarah Ortiz

**I. Subject:** Amendment Exceeds 25%

**DIPS CODE:** 190-25-23-231-2594-525999-00000-000

**Budget Authority:**  Yes  No

**CIP:** N/A

The Marion County Health and Human Services Department is requesting approval to amend a contract as described in Section 20-0265, 20-0270, 30-0320, 40-0160, and 40-0910 of the Marion County Public Contracting Rules. The contract is with for Public Health Medical Director-Caroline Grady Castillo with a value of \$200,000 and an additional \$500,000 will be added to the contract for a new contract total of \$700,000.00 upon approval.

**A. BACKGROUND**

Explain how we got to this point, include sourcing method, initial contract value, and all previous amendments.

Caroline Castillo is an independent physician who provides skilled medical consultation. The contract expires December 31, 2022 and has the option to renew an additional three years through December 31, 2025. There have been no previous amendments to this contract.

**B. CURRENT AMENDMENT PURPOSE**

Describe the purpose of the current amendment, why we are increasing more than 25% and why this was not included in the original contract.

The purpose of this amendment is to extend the terms an additional two years, add funds, and to change the pay rate. The additional funds will ensure that there will be enough money on the contract to cover costs through the additional two-year period. Caroline bills an average of \$15,000 a month with the current pay rate of \$180 per hour. With the amendment in place the pay rate will increase to \$200 per hour and the average monthly bill will increase. The additional \$500,000 considers the pay increase and reflects the first year of expenses.

**C. JUSTIFICATION**

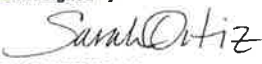
For formal procurements, indicate why the need for adding more than 25% of the total contract cost:

The contract will be renewed for an additional two years, and the additional funds will ensure that there is enough money to make payments through December 31, 2024.


D. BUDGET IMPACTS

1. Are the expected expenditures for the current fiscal year under the contract, including any additional funds being requested with this action, already included in the current year adopted budget?  Yes  No
  
2. If yes, amount \$500,000 Program / Account Public Health / 525999  
if no, describe the amount and how the anticipated expenditures will be handled within the budget:
  - a. Amount: \$ \_\_\_\_\_
  
  - b. Managed with anticipated savings– explain why and from what costing:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
  
  - c. Will require a supplemental budget request – provide the expected funding source and costing:
    - i. Funding Source: \_\_\_\_\_
  
    - ii. Costing: \_\_\_\_\_

Submitted by:

DocuSigned by:  
  
 7C381AF588334A0...  
 Sarah Ortiz  
 Health and Human Services


Reviewed by:

DocuSigned by:  
  
 C5B2F3DF257F444...  
 Contracts & Procurement

Acknowledged by:

DocuSigned by:  
  
 7D28A787659F458...  
 Department Head

Acknowledged by:

DocuSigned by:  
  
 0G16361248DE4EC...  
 Jan Fritz, CAO



**Marion County**  
OREGON

**AMENDMENT 1 to HE-4404-21  
the CONTRACT FOR SERVICES**

**between  
MARION COUNTY and CAROLINE GRADY CASTILLO**

This Amendment No. 1 to the Contract for Services (as amended from time to time, the "Contract"), dated November 14, 2021 between Marion County, a political subdivision of the State of Oregon, hereafter called County, and Caroline Grady Castillo, hereafter called Contractor.

The Contract is hereby amended as follows (new language is indicated by underlining and deleted language is indicated by brackets):

**1. TERM.** This Contract expires on December 31, 2024 [December 31, 2022].

**2. CONSIDERATION.**

A. The maximum, not-to-exceed compensation payable to Contractor under this Contract, which includes any allowable expenses, is \$700,000 [\$200,000.00].

**EXHIBIT A  
STATEMENT OF WORK**

**2. COMPENSATION.** The total amount available for payment to Contractor under Exhibit A, section 2.A and for authorized reimbursement to Contractor under Exhibit A, section 2.C is \$700,000 [\$200,000.00].

**A. METHOD OF PAYMENT FOR SERVICES** County shall pay Contractor \$200.00 [\$180.00] per hour for completing all Services required under this Contract.

Except as expressly amended above, all other terms and conditions of the original contract are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the original Contract are true and correct as of the effective date of this Amendment and with the same effect as though made at the time of this Amendment.

**MARION COUNTY SIGNATURES  
BOARD OF COMMISSIONERS:**

*Not Present At Meeting*

Chair \_\_\_\_\_ Date \_\_\_\_\_  
*Colleen Hillis* *12/28/22*

Commissioner \_\_\_\_\_ Date \_\_\_\_\_  
*Kim Ann* *12.28.22*

Commissioner \_\_\_\_\_ Date \_\_\_\_\_

Authorized Signature: DocuSigned by:  
Ryan Matthews  
7B28A787656F458...  
Ryan Matthews, Administrator Date

Authorized Signature: DocuSigned by:  
Katrina Rothenberger  
03A5DB54852A4D2...  
Katrina Rothenberger, Deputy Director Date

Authorized Signature: DocuSigned by:  
Jan Fritz  
DC16351248DE4EC...  
Chief Administrative Officer Date

Reviewed by Signature: DocuSigned by:  
Jane E Vetto  
D0CFC5804B9F483...  
Marion County Legal Counsel Date

Reviewed by Signature: DocuSigned by:  
Camber Schlag  
C5B2F3DF257F444...  
Marion County Contracts & Procurement Date

**CAROLINE GRADY CASTILLO SIGNATURE**

Authorized Signature: DocuSigned by:  
Caroline Castillo  
8E91E744DAC04D6... 1/3/2023  
Date

Title: Health Officer



**MARION COUNTY  
CONTRACT FOR SERVICES HE-4404-21**

This contract is between Marion County (a political subdivision of the State of Oregon) hereinafter called County, and Caroline Grady Castillo, M.D., an independent physician, hereinafter called Contractor.

Contractor agrees to perform, and County agrees to pay for, the services and deliverables described in Exhibit A (the "Work").

**1. TERM.** This Contract is effective on the date it has been signed by all parties and all required County approvals have been obtained. This Contract expires December 31, 2022. The parties may extend the term of this Contract provided that the total Contract term does not extend beyond December 31, 2025.

**2. CONSIDERATION.**

A. The maximum, not-to-exceed compensation payable to Contractor under this Contract, which includes any allowable expenses, is **\$200,000**. County will not pay Contractor any amount in excess of the not-to-exceed compensation of this Contract for completing the Work, and will not pay for Work performed before the date this Contract becomes effective or after the termination of this Contract. If the maximum compensation is increased by amendment of this Contract, the amendment must be fully effective before Contractor performs Work subject to the amendment.

B. Interim payments to Contractor shall be made in accordance with the payment schedule and requirements in Exhibit A.

**3. COMPLIANCE WITH STATUTES AND RULES.**

A. County and the Contractor agree to comply with the provisions of this contract and all applicable federal, state, and local statutes and rules.

Unless otherwise specified, responsibility for all taxes, assessment, and any other charges imposed by law upon employers shall be the sole responsibility of the Contractor. Failure of the Contractor or the County to comply with the provisions of this contract and all applicable federal, state, and local statutes and rules shall be cause for termination of this contract as specified in sections concerning recovery of funds and termination.

County's performance under this Contract is conditioned upon Contractor's compliance with the obligations intended for contractors under ORS 279B.220, 279B.225 (if applicable to this Contract), 279B.230 and 279B.235 (if applicable to this Contract), which are incorporated by reference herein.

B. Contractor must, throughout the duration of this Contract and any extensions, comply with all tax laws of this state and all applicable tax laws of any political subdivision of this state. For the purposes of this Section, "tax laws" includes all the provisions described in subsection 27. C. (i) through (iv) of this Contract.

i. Any violation of subsection B of this section shall constitute a material breach of this Contract. Further, any violation of Contractor's warranty, in subsection 27.3 of this Contract, that Contractor has complied with the tax laws of this state and the applicable tax laws of any political subdivision of this state also shall constitute a material breach of this Contract. Any violation shall entitle the County to terminate this Contract, to pursue and recover any and all damages that arise from the breach and the termination of this Contract, and to pursue any or all of the remedies available under this Contract, at law, or in equity, including but not limited to:

a. Termination of this Contract, in whole or in part;

b. Exercise of the right of setoff, and withholding of amounts otherwise due and owing to Contractor, in an amount equal to State's setoff right, without penalty; and

c. Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. The County shall be entitled to recover any and all damages suffered as the result of Contractor's breach of this Contract, including but not limited to direct, indirect, incidental and consequential damages, costs of cure, and costs incurred in securing replacement Services or replacement contractor.

C. These remedies are cumulative to the extent the remedies are not inconsistent, and the County may pursue any remedy or remedies singly, collectively, successively, or in any order whatsoever.

D. Subject to the provision of Section 13 below, Contractor accepts any and all liability for any adverse effects originating from any Change in Law.

**4. CIVIL RIGHTS, REHABILITATION ACT, AMERICANS WITH DISABILITIES ACT and TITLE VI OF THE CIVIL RIGHTS ACT.** Contractor agrees to comply with the Civil Rights Act of 1964, and 1991, Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973, and Title VI as implemented by 45 CFR 80 and 84 which states in part, No qualified person shall on the basis of disability, race, color, or national origin be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which received or benefits from federal financial assistance.

**5. TIME IS OF THE ESSENCE.** Contractor agrees that time is of the essence in the performance of this Contract.

**6. FORCE MAJEURE.** Neither County nor Contractor shall be responsible for any failure to perform or for any delay in the performance of any obligation under this Contract caused by fire, riot, acts of God, terrorism, war, or any other cause which is beyond the breaching party's reasonable control. Contractor shall, however, make all reasonable efforts to remove or eliminate the cause of Contractor's delay or breach and shall, upon the cessation of the cause, continue performing under this Contract. County may terminate this Contract upon written notice to Contractor after reasonably determining that the delay or breach will likely prevent successful performance of this Contract.

**7. FUNDING MODIFICATION.**

A. County may reduce or terminate this contract when state or federal funds are reduced or eliminated by providing written notice to the respective parties.

B. In the event the Board of Commissioners of the County reduces, changes, eliminates, or otherwise modifies the funding for any of the services identified, the Contractor agrees to abide by any such decision including termination of service.

**8. RECOVERY OF FUNDS.**

Expenditures of the Contractor may be charged to this contract only if they (1) are in payment of services performed under this contract, (2) conform to applicable state and federal regulations and statutes, and (3) are in payment of an obligation incurred during the contract period.

Any County funds spent for purposes not authorized by this contract and payments by the County in excess of authorized expenditures shall be deducted from future payments or refunded to the County no later than thirty (30) days after notice of unauthorized expenditure or notice of excess payment.

Contractor shall be responsible to repay for prior contract period excess payments and un-recovered advanced payments provided by the County. Repayment of prior period obligations shall be made to the County in a manner agreed on.

**9. ACCESS TO RECORDS.**

A. Contractor shall permit authorized representatives of the County, State of Oregon, or the applicable audit agencies of the U.S. Government to review the records of the Contractor as they relate to the contract services in order to satisfy audit or program evaluation purposes deemed necessary by the County and permitted by law.

B. Contractor agrees to establish and maintain financial records, which indicate the number of hours of work provided, and other appropriate records pertinent to this contract shall be retained for a minimum of three (3) years after the end of the contract period. If there are unresolved audit questions at the end of the three-year period, the records must be maintained until the questions are resolved.

**10. REPORTING REQUIREMENTS.** Contractor shall provide County with periodic reports at the frequency and with the information prescribed by County. Further, at any time, County has the right to demand adequate assurances that the services provided by Contractor shall be in accordance with the Contract. Such reports provided by the Contractor shall be supported by documentation in Contractor's possession from third parties to the extent as applicable.

**11. CONFIDENTIALITY OF RECORDS.**

A. Contractor shall not use, release or disclose any information concerning any employee, client, applicant or person doing business with the County for any purpose not directly connected with the administration of County's or the Contractor's responsibilities under this Contract except upon written consent of the County, and if applicable, the employee, client, applicant or person.

B. Contractor shall ensure that its agents, employees, officers and subcontractors with access to County and Contractor records understand and comply with this confidential provision.

C. If Contractor receives or transmits protected health information, Contractor shall enter into a Business Associate Agreement with County, which shall become part of this Contract, if attached hereto.

D. Client records shall be kept confidential in accordance with ORS 179.505, 45 CFR 205.50 and 42 CFR Part 2 as applicable.

**12. INDEMNIFICATION AND INSURANCE.**

A. Contractor shall defend, save, indemnify, and hold harmless the County, its officers, agents, and employees from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature whatsoever, including attorney fees, resulting from, arising out of, or relating to the activities of Contractor or its officers, employees, subcontractors, or agents under this Contract. Contractor shall have control of the defense and settlement of any claim that is subject to this section. However, neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of either County or any department of County, nor purport to act as legal representative of either County or any of its departments, without first receiving from County Legal Counsel authority to act as legal counsel for the County, nor shall Contractor settle any claim on behalf of County without the approval of County Legal Counsel. County may, at its election and expense, assume its own defense and settlement.

B. Contractor shall obtain the insurance required under section 23 prior to performing under this Contract and shall maintain the required insurance throughout the duration of this Contract and all warranty periods.

C. County, pursuant to applicable provisions of ORS 30.260 to 30.300, maintains a self-insurance program that provides property damage and personal injury coverage.

**13. EARLY TERMINATION.** This Contract may be terminated as follows:

A. County and Contractor, by mutual written agreement, may terminate this Contract at any time.

B. County in its sole discretion may terminate this Contract for any reason on 30 days written notice to Contractor.

C. Either County or Contractor may terminate this Contract in the event of a breach of the Contract by the other. Prior to such termination the party seeking termination shall give to the other party written notice of the breach and intent to terminate. If the party committing the breach has not entirely cured the breach within 15 days of the date of the notice, then the party giving the notice may terminate the Contract at any time thereafter by giving a written notice of termination.

D. Notwithstanding section 13C, County may terminate this Contract immediately by written notice to Contractor upon denial, suspension, revocation or non-renewal of any license, permit or certificate that Contractor must hold to provide services under this Contract.

**14. PAYMENT ON EARLY TERMINATION.** Upon termination pursuant to section 13, payment shall be made as follows:

A. If terminated under 13A or 13B for the convenience of the County, the County shall pay Contractor for Work performed prior to the termination date if such Work was performed in accordance with the Contract. County shall not be liable for direct, indirect or consequential damages. Termination shall not result in a waiver of any other claim County may have against Contractor.

B. If terminated under 13C by the Contractor due to a breach by the County, then the County shall pay the Contractor for Work performed prior to the termination date if such Work was performed in accordance with the Contract.

C. If terminated under 13C or 13D by the County due to a breach by the Contractor, then the County shall pay the Contractor for Work performed prior to the termination date provided such Work was performed in accordance with the Contract less any setoff to which the County is entitled.

**15. INDEPENDENT CONTRACTOR.**

A. The Contractor is a separate and independently established business, retains sole and absolute discretion over the manner and means of carrying out the Contractor's activities and responsibilities for the purpose of implementing the provisions of this contract, and maintains the appropriate license/certifications, if required under Oregon Law. This contract shall not be construed as creating an agency, partnership, joint venture, employment relationship or any other relationship between the parties other than that of independent parties. The Contractor is acting as an "independent contractor" and is not an employee of County, and accepts full responsibility for taxes or other obligations associated with payment for services under this contract. As an "independent contractor", Contractor will not receive any benefits normally accruing to County employees unless required by applicable law. Furthermore, Contractor is free to contract with other parties for the duration of the contract.

B. **SUBCONTRACTING/NONASSIGNMENT.** No portion of the Contract may be contracted or assigned to any other individual, firm or entity without the express and prior approval of the County.

**16. GOVERNING LAW AND VENUE.** This Contract shall be governed by the laws of the State of Oregon. Any action commenced in connection with this Contract shall be in the Circuit Court of Marion County. All rights and remedies of the County shall be cumulative and may be exercised successively or concurrently. The foregoing is without limitation to or waiver of any other rights or remedies of the County according to law.

**17. OWNERSHIP AND USE OF DOCUMENTS.** All documents, or other material submitted to the County by Contractor shall become the sole and exclusive property of the County. All material prepared by Contractor under this Contract may be subject to Oregon's Public Records Laws.

**18. NO THIRD PARTY BENEFICIARIES.**

A. County and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms.

B. Nothing in this contract gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name in this Contract and expressly described as intended beneficiaries of this Contract.

**19. SUCCESSORS IN INTEREST.** The provisions of this Contract shall be binding upon and inure to the benefit of the parties and their successors and approved assigns.

**20. MERGER CLAUSE.** This Contract and the attached exhibits constitute the entire agreement between the parties.

A. All understandings and agreements between the parties and representations by either party concerning this Contract are contained in this Contract.

B. No waiver, consent, modification or change in the terms of this Contract shall bind either party unless in writing signed by both parties.

C. Any written waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.

**21. WAIVER.** The failure of any Party to enforce any provision of this Contract shall not constitute a waiver by that Party or any other provision. Waiver of any default under this Contract by any Party shall not be deemed to be a waiver of any subsequent default or a modification of the provisions of this Contract.

**22. REMEDIES.** In the event of breach of this Contract, the Parties shall have the following remedies:

A. If terminated under 13C by County due to a breach by the Contractor, the County may complete the Work either itself, by agreement with another Contractor, or by a combination thereof. If the cost of completing the Work exceeds the remaining unpaid balance of the total compensation provided under this Contract, then the Contractor shall pay to the County the amount of the reasonable excess.

B. In addition to the remedies in sections 13 and 14 for a breach by the Contractor, County also shall be entitled to any other equitable and legal remedies that are available.

C. If County breaches this Contract, Contractor's remedy shall be limited to termination of the Contract and receipt of Contract payments to which Contractor is entitled.

**23. INSURANCE.**

A. **REQUIRED INSURANCE.** Contractor shall obtain at Contractor's expense the insurance specified in this section prior to performing under this Contract and shall maintain it in full force and at its own expense throughout the duration of this Contract and all warranty periods. Contractor shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in Oregon and that are acceptable to County:

i. **WORKERS COMPENSATION.** All employers, including Contractor, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Contractor shall require and ensure that each of its subcontractors complies with these requirements.

ii. PROFESSIONAL LIABILITY. Covering any damages caused by an error, omission or any negligent acts related to the services to be provided under this Contract. Contractor shall provide proof of insurance of not less than the following amounts as determined by the County:

Required by County  Not required by County.

- \$1,000,000 Per occurrence limit for any single claimant; and
- \$2,000,000 Per occurrence limit for multiple claimants
- Exclusion Approved by Risk Manager

iii. CYBER LIABILITY. Covering network security, breach of data, and coverage for regulatory fines and fees imposed against County due to failures in products and services provided under this Contract. Cyber Liability coverage must include errors, omissions, negligent acts, denial of service, media liability (including software copyright), dishonesty, fraudulent or criminal acts by a person or persons whether identified or not, intellectual property infringement, computer system attacks, unauthorized access and use of computer system, regulatory actions, and contractual liability.

Required by County  Not required by County.

- \$2,000,000 Per occurrence limit for any single claimant; and
- \$5,000,000 Per occurrence limit for multiple claimants
- Exclusion Approved by Risk Manager

iv. COMMERCIAL GENERAL LIABILITY. Covering bodily injury, death and property damage in a form and with coverages that are satisfactory to the County. This insurance shall include personal injury liability, products and completed operations. Coverage shall be written on an occurrence basis. Contractor shall provide proof of insurance of not less than the following amounts as determined by the County:

Required by County  Not required by County.

**Bodily Injury/Death:**

- \$1,000,000 Per occurrence limit for any single claimant; and
- \$2,000,000 Per occurrence limit for multiple claimants
- Exclusion Approved by Risk Manager
- \$500,000 Per occurrence limit for any single claimant
- \$1,000,000 Per occurrence limit for multiple claimant

v. Automobile Liability Insurance. Covering all owned, non-owned, or hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for "Commercial General Liability" and "Automobile Liability"). Contractor shall provide proof of insurance of not less than the following amounts as determined by the County:

Required by County  Not required by County.

**Bodily Injury/Death:**

- Oregon Financial Responsibility Law, ORS 806.060 (\$25,000 property damage/\$50,000 bodily injury \$5,000 personal injury).
- \$500,000 Per occurrence limit for any single claimant; and
- \$1,000,000 Per occurrence limit for multiple claimants
- Exclusion Approved by Risk Manager

B. **ADDITIONAL INSURED.** The Commercial General Liability insurance required under this Contract shall include Marion County, its officers, employees and agents as Additional Insureds but only with respect to Contractor's activities to be performed under this Contract. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

C. **NOTICE OF CANCELLATION OR CHANGE.** There shall be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without 30 days written notice from this Contractor or its insurer(s) to County. Any failure to comply with the reporting provisions of this clause shall constitute a material breach of Contract and shall be grounds for immediate termination of this Contract by County.

D. **CERTIFICATE(S) OF INSURANCE.** Contractor shall provide to County Certificate(s) of Insurance for all required insurance before delivering any Goods and performing any Services required under this Contract. The Certificate(s) must specify all entities and individuals who are endorsed on the policy as Additional Insured (or Loss Payees). Contractor shall pay for all deductibles, self-insured retention and self-insurance, if any.

**24. NOTICE.** Except as otherwise expressly provided in this contract, any communications between the parties hereto or notices to be given hereunder shall be given in writing, to Contractor or County at the address or number set forth below or to such other addresses or numbers as either party may hereafter indicate in writing. Delivery may be by personal delivery, or mailing the same, postage prepaid.

A. Any communication or notice by personal delivery shall be deemed delivered when actually given to the designated person or representative.

B. Any communication or notice mailed shall be deemed delivered five (5) days after mailing. Any notice under this Contract shall be mailed by first class postage delivered to:

To Contractor:

Caroline Grady Castillo, M.D.  
74 Touchstone  
Lake Oswego, OR 97035  
cagrady@gmail.com  
773-610-1469

To County:

Contracts and Procurement Manager  
555 Court Street NE, Suite 5232  
P.O. Box 14500  
Salem, Oregon 97309  
Fax No. 503-588-5237  
and;  
Rebecca Werner, Sr. Contracts Specialist  
3180 Center St NE, Suite 2100  
Salem, OR 97301  
[r Werner@co.marion.or.us](mailto:r Werner@co.marion.or.us)

**25. SURVIVAL.** All rights and obligations shall cease upon termination or expiration of this Contract, except for the rights and obligations set forth in sections 2, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25 and 26.

**26. SEVERABILITY.** If any term or provision of this Contract is declared illegal or in conflict with any law by a court of competent jurisdiction, the validity of the remaining terms and provisions that shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid.

**27. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES.** Contractor represents and warrants to the County that:

A. Contractor has the power and authority to enter into and perform this Contract.

B. This Contract, when executed and delivered, is a valid and binding obligation of Contractor, enforceable in accordance with its terms.

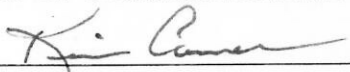
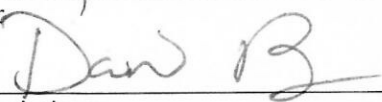
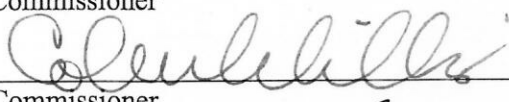
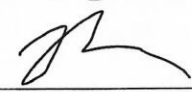
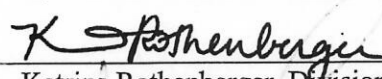
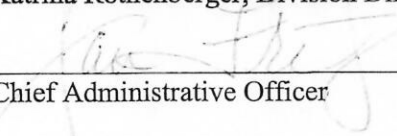
C. Contractor (to the best of Contractor's knowledge, after due inquiry), for a period of no fewer than six calendar years preceding the effective date of this Contract, faithfully has complied with:

- i. All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;
- ii. Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor;
- iii. Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and
- iv. Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

D. Any Goods delivered to the County under this Contract, and Contractor's Services rendered in the performance of Contractor's obligations under this Contract, shall be provided to the County free and clear of any and all restrictions on or conditions of use, transfer, modification, or assignment, and shall be free and clear of any and all liens, claims, mortgages, security interests, liabilities, charges, and encumbrances of any kind.

**28. CERTIFICATIONS AND SIGNATURE.** THIS CONTRACT MUST BE SIGNED IN INK BY AN AUTHORIZED REPRESENTATIVE OF Contractor. The undersigned certifies under penalty of perjury both individually and on behalf of Contractor is a duly authorized representative of Contractor, has been authorized by Contractor to make all representations, attestations, and certifications contained in this Contract and to execute this Contract on behalf of Contractor.

**MARION COUNTY SIGNATURE  
BOARD OF COMMISSIONERS:**

Chair		Date	12-15-2021
Commissioner		Date	12-15-2021
Commissioner		Date	12/15/2021
Authorized Signature:		Date	12/1/2021
	Ryan Matthews, Administrator	Date	
Authorized Signature:		Date	12/1/2021
	Katrina Rothenberger, Division Director	Date	
Authorized Signature:		Date	12/8/2021
	Chief Administrative Officer	Date	



Reviewed by Signature: Jane E. Vetto 12/5/21  
Marion County Legal Counsel Date

Reviewed by Signature: Amber Senlag Dec 3, 2021  
Marion County Contracts & Procurement Date

**CAROLINE GRADY CASTILLO, M.D. SIGNATURE**

Authorized Signature: Castillo 12/15/2021  
Date

Title: Health Officer

**EXHIBIT A**  
**STATEMENT OF WORK**

**1. STATEMENT OF SERVICES.** This position meets the requirements of ORS 431.418 for a local health department to have a physician to act as a medical director to the medical and paramedical aspects of public health programs. This position also performs a health officer role to promote population based health. Contractor shall perform Medical Director services as described below.

A. **GENERAL INFORMATION.** Contractor shall provide skilled medical consultation, oversight and sign standing medical orders for County's Public Health programs up to twenty (20) hours per week as specified in Section 1. B below. In the event of a Public Health emergency, Contractor shall provide up to an additional eight (8) hours per week, for the duration of the emergency and as mutually agreed by both parties.

**B. REQUIRED SERVICES, DELIVERABLES AND DELIVERY SCHEDULE**

1. Provide clinical consultations and medical direction to public health staff regarding individual cases and outbreaks on-site or by phone, (Sexually Transmitted Infections, Immunizations, , HIV Prevention, Communicable Disease Investigations, Tuberculosis, and Environmental Health) and Bloodborne Pathogens exposures. This includes client visits when medically appropriate.
2. Develops, reviews and approves medical standing orders and/or reviews, recommends revisions, and approves State-developed standing orders for Clinic services (Sexually Transmitted Infections, Immunizations, HIV Prevention), Communicable Disease Investigation, Tuberculosis treatment and case management and Code Blue emergency response.
3. Oversees Public Health pharmacy and laboratory practices and acts as Pharmacy and Laboratory Director.
4. Promotes population health, through maintaining effective relationships with physicians, other clinical providers and organizations and this may include targeted outreach to the medical community.
5. Provides input on public health issues in the department. Upon approval by County, Contractor may be asked to respond to media requests for information.
6. Prescribe and dispense medication, if applicable, according to all rules governed by licensure, Drug Enforcement administration (DEA) requirements and/or as supported by professional guidelines, professional publications or as meets the standards of care in the community.
7. Provide documentation that meets Medicare, Medicaid and other contracted insurance requirements in paper or electronic form according to County policies and procedures.

C. **SPECIAL REQUIREMENTS.** Contractor shall be solely responsible for and shall have control over the means, methods, techniques, sequences and procedures of performing the work, subject to the plans and specifications under this Contract and shall be solely responsible for the errors and omissions of its employees, subcontractors and agents.

Contractor has the skill and knowledge possessed by well-informed members of its industry, trade or profession and Contractor will apply that skill and knowledge with care and diligence and perform Services in a timely, professional and workmanlike manner in accordance with standards applicable to Contractor's industry, trade or profession.

COMPENSATION. The total amount available for payment to Contractor under Exhibit A, section 2.A and for authorized reimbursement to Contractor under Exhibit A, section 2.C is **\$200,000**.

A. METHOD OF PAYMENT FOR SERVICES. County shall pay Contractor \$180.00 per hour for completing all Services required under this Contract.

B. BASIS OF PAYMENT FOR SERVICES. Contractor shall submit monthly invoice to County for payment of completed services. County shall pay Contractor upon County's approval of Contractor's invoice.

C. EXPENSE REIMBURSEMENT. County will not reimburse Contractor for any expenses under this Contract.

D. GENERAL PAYMENT PROVISIONS. Notwithstanding any other payment provision of this contract, failure of the Contractor to submit required reports when due, or failure to perform or document the performance of contracted services, may result in withholding of payments under this contract. Such withholding of payment for cause shall begin thirty (30) days after written notice is given by the County to the Contractor, and shall continue until the Contractor submits required reports, performs required services or establishes, to the County's satisfaction, that such failure arose out of causes beyond the control, and without the fault or negligence of the Contractor.

E. INVOICES. Contractor shall submit monthly invoices to Public Health Division Director at the address specified below, via email, or to any other address as County may indicate in writing to Contractor.

**Marion County**  
**Attn: Health & Human Services Department**  
**Katrina Rothenberger-Public Health**  
**3180 Center St NE**  
**Salem, OR 97301**

**EXHIBIT B**  
**SPECIAL TERMS AND CONDITIONS**

- A. **MEANINGFUL USE:** Contractor hereby assigns to County all rights to bill and receive payment from patients and third-party payors, including the Medicare and Medicaid Programs, for services rendered by Contractor hereunder and Contractor shall not bill any patient or third-party payor for such services. Contractor shall rapidly complete and sign necessary third-party payor forms to either obtain provider numbers and/or to assign benefits to County. Contractor acknowledges that the amount of fees charged to patients of County and the use of such funds shall be determined in the sole discretion of County. Contractor shall also become a participating provider in any/all plans, contracts, programs which County, in its sole discretion, shall deem appropriate for Contractor participation.

Contractor's assignment of payment to County includes Electronic Health Record (EHR) incentive payments, Contractor shall sign the County's Attestation and Meaningful Use Payment Assignment and Agreement form. Contractor shall comply with the requirements to be eligible to receive EHR incentive payments. The County will be responsible for the EHR and clinical environment to meet meaningful use requirements, which includes assuring adequate resources, training and technical support.

- B. **LICENSURE:** Contractor shall maintain at all times during the term of this agreement any license(s) required by law to perform services under this agreement. Contractor shall provide County with a copy of required license(s).
- C. **CREDENTIALING:** County will assure that verification of licensure is completed through the licensing body's website and/or by phone. If requested, Contractor will provide County with National Plan and Provider Enumeration System (NPPES) Identifier.
- D. **AGENT:** Contractor is an agent of Marion County. County shall indemnify and hold harmless Contractor from damages arising out of the performance of his or her duties under this agreement subject to the limitations and conditions of the Oregon Tort Claims Act, ORS 30.260 through 30.300 and the Oregon Constitution Article XI, Section 7. Extension of this indemnification is subject to Contractor being an insurable risk. Contractor shall complete and return the ATTACHED Attestation for Providers Seeking Agent Status and any other documentation required by the County or its insurance carriers to establish insurability. County will provide 14 days' notice in the event that the County or its insurance carrier determines that Contractor is not insurable. In such an event, the contractual assignment of agency status will cease. Contractor will provide Professional Liability coverage for services that may be found to be outside Contractor's duties under this contract.
- E. **MEDICARE/MEDICAID:** Contractor shall notify the County immediately if they opt out of Medicare or Medicaid or any other insurance coverage during the term of their contract with the County.
- F. **CRIMINAL HISTORY CHECK.** County shall perform a criminal history check on Contractor used in any program receiving funding from the OHA, DHS or the Employment Division or is licensed by OHA or the Employment Division and shall not have unsupervised contact with clients prior to approval by the OHA or the Employment Division.
- G. **HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA).** The Business Associate Contract Provisions required by the Health Insurance Portability and Accountability Act, of 1996, (HIPAA), as amended, are attached as ADDENDUM #1 to this contract and are incorporated herein.

H. **FALSE CLAIMS, FRAUD, WASTE AND ABUSE.** Provider shall cooperate with and participate in activities to implement and enforce the County's policies and procedures to prevent, detect and investigate false claims, fraud, waste and abuse relating to Oregon Health Plan, Medicare or Medicaid funds. Provider shall cooperate with authorized State of Oregon entities and Centers for Medicare and Medicaid (CMS) in activities for the prevention, detection and investigation of false claims, fraud, waste and abuse. Provider shall allow the inspection, evaluation or audit of books, records, documents, files, accounts, and facilities as required to investigate the incident of false claims, fraud, waste or abuse. Provider is required to verify that their staff and Providers are not excluded from providing services under this contract funded by Medicare and Medicaid before services are provided. Provider is required to check the following databases for excluded individuals and entities:

Excluded Parties List System (EPLS) [www.sam.gov](http://www.sam.gov)

- I. All Attachments and Exhibits referenced below and within this agreement are hereto attached and incorporated into this agreement by this reference. Contractor is to complete and provide to County the following required forms:
- a. Attestation And Meaningful Use Payment Assignment
  - b. Certification by Independent Contractor
  - c. Confidentiality Form
  - d. Workforce separation Form
  - e. Workers Compensation Exemption Certificate
  - f. DEA Certificate
  - g. Copy of current license
  - h. Copy of current automobile insurance certificate

## ADDENDUM NO 1

### HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT BUSINESS ASSOCIATE CONTRACT PROVISIONS

#### INTRODUCTION

This Addendum to the contract between Marion County, a political subdivision of the State of Oregon, hereinafter called the County, and Caroline Grady Castillo, MD, hereinafter called Contractor is required by the Health Insurance Portability and Accountability Act of 1996, (HIPAA), as amended.

WHEREAS, County will make available or transfer to Contractor certain information in conjunction with goods or services that are being provided by Contractor to County, that is confidential and must be afforded special treatment and protection.

WHEREAS, Contractor will have access to or receive from County certain information that can be received, maintained, used or disclosed only in accordance with this Contract and the Department of Health and Human Services Security Rule and Privacy Rule, 45 Code of Federal Regulations (CFR) Parts 160, 162, and 164.

NOW THEREFORE, the parties agree as follows:

1. Definitions.
  - a. Business Associate shall mean Caroline Grady Castillo, MD.
  - b. BREACH means the acquisition, access, use or disclosure of protected health information (PHI) in a manner not permitted under subpart E of the HIPAA Privacy Regulations; I found at 45 CFR 164.402 (as amended by the Final HIPAA/HITECH Act Privacy, Security, Breach Notification, and Enforcement Rule, 78 *Federal Register* 5565), which compromises the security or privacy of the protected health information. In the event of any inconsistency between the definition of "Breach" in this Agreement and the definition in the Privacy Regulations, the definition in the Privacy Regulations will control.
  - c. Covered Entity shall mean MARION COUNTY.
  - d. HITECH Act shall mean the Health Information Technology for Economic and Clinical Health Act, Title XIII of the American Recovery and Reinvestment Act Public. Law No. 111-5.
  - e. INDIVIDUAL shall mean the person who is the subject of the information and has the same meaning as the term "individual" defined in 45 CFR 164.501 and includes a person who qualifies as a personal representative pursuant to 45 CFR 164.502 (g).
  - f. PRIVACY RULE shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, Subparts A and E.
  - g. PROTECTED HEALTH INFORMATION shall have the same meaning as the term in 45 CFR 164.501 (as amended by the Final HIPAA/HITECH Act Privacy, Security, Breach Notification, and Enforcement Rule, 78 *Federal Register* 5565), limited to information created or received by Business Associate from or on behalf of Covered Entity.

- h. REQUIRED BY LAW shall have the same meaning as the term in 45 CFR 164.103.
- i. SECRETARY shall mean the Secretary of the Federal Department of Health and Human Services (HHS) and any other HHS officer or employee with delegated authority.
- j. SECURITY RULE shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 160, and 164, Subparts A and C.
- k. UNSECURED PROTECTED HEALTH INFORMATION shall mean Protected Health Information in any form, including electronic, paper or verbal, that is not rendered usable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary pursuant to the HITECH Act, as such guidance may be updated by the Secretary from time to time.

Terms used, but not otherwise defined, in this Agreement shall have the meaning given the terms in the Health Insurance Portability and Accountability Act (HIPAA) Regulations at 45 CFR 160-164.

2. Term.

The term of the HIPAA obligations under this addendum shall commence as of the effective date of this contract and shall expire when all of the information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy protected health information, protections are extended to the information in accordance with the termination provisions in this contract.

3. Limits on Use and Disclosure.

Business Associate shall not use or disclose protected health information provided or made available by Covered Entity for any purpose other than as expressly permitted or required by this contract or as Required by Law.

4. Permitted Uses and Disclosures by Business Associate.

a. Statutory Duties.

- (1) Business Associate acknowledges that it has a statutory duty under the HITECH Act to, among other duties:
  - (A) effective February 17, 2010, use and disclose Protected Health Information only in compliance with 45 C.F.R. § 164.504(e) (the provisions of which have been incorporated into this Agreement); and
  - (B) effective February 17, 2010, comply with 45 C.F.R. §§ 164.308 ("Security Standards: General Rules"), 164.310 ("Administrative Safeguards"), 164.312 ("Technical Safeguards"), and 164.316 ("Policies and Procedures and Documentation Requirements"). In complying with 45 C.F.R. § 164.312 ("Technical Safeguards"), Business Associate shall consider guidance issued by the Secretary pursuant to Section 13401(c) of the HITECH Act and, if a decision is made to not follow such guidance, document the rationale for that decision.

- (2) Business Associate acknowledges that its failure to comply with these or any other statutory duties could result in civil and/or criminal penalties under 42 U.S.C. §§1320d-5 and 1320d-6.
- (3) As of the effective date of Section 13405(d) of the HITECH Act, Business Associate may not receive direct or indirect remuneration in exchange for Protected Health Information unless permitted by the Act or regulations issued by the Secretary.

b. General Use and Disclosure Provision.

Except as otherwise limited in this contract, Business Associate may use or disclose protected health information to perform the functions, activities or services for, or on behalf of, Covered Entity as specified in the contract between the parties, provided that such use or disclosure would not violate the Security and Privacy Rules if done by the Covered Entity, or the minimum necessary policies of Covered Entity.

c. Permissible Requests by Covered Entity.

Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Regulations if done by Covered Entity.

5. Additional Purposes for Uses and Disclosures by Business Associate.

- (a) Except as otherwise limited in this Contract, Business Associate may use protected health information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- (b) Except as otherwise limited in this Contract, Business Associate may disclose protected health information for the proper management and administration of the Business Associate, provided that:
  - (i) The disclosure is Required by Law;
  - (ii) Reasonable assurances are obtained from the person to whom the information is disclosed that it will remain confidential and be used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, that the person will use appropriate safeguards to prevent use or disclosure of the information, and that the person immediately notifies Business Associate of any instances of which the confidentiality of the information has been breached per section 6.d of this Contract;
  - (iii) Except as otherwise limited in this Contract, Business Associate may use protected health information to provide data aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B).
  - (iv) Business Associate may use protected health information to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR 164.502(j)(1).
  - (v) As of the effective date of Section 13405(d) of the HITECH Act, Business Associate may not receive direct or indirect remuneration in exchange for Protected Health Information unless permitted by the Act or regulations issued by the Secretary.



6. Business Associate Obligations:

- a. Limits on Use and Further Disclosure Established by Contract and Law. Business Associate agrees that information provided or made available by Covered Entity shall not be further used or disclosed other than as permitted or required by the Contract or as Required by Law.
- b. Appropriate Safeguards. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the protected health information other than as provided for by this Contract.
- c. Mitigation of Harmful Effects. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of the use or disclosure of protected health information by Business Associate in violation of the requirements of this Contract.
- d. Reports of Breach. Per the Health Information Technology for Economic and Clinical Health (HITECH) Act, Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (ARRA) Public. Law 111-5, Business Associate agrees to report to Covered Entity as soon as possible any use or disclosure of the protected health information not provided for by this Contract of which it becomes aware. If a breach of unsecured protected health information occurs at or by a Business Associate, the Business Associate must notify the Covered Entity no later than 60 days from the discovery of the breach. To the extent possible, the Business Associate should provide the Covered Entity with the identification of each individual affected by the breach as well as any information required to be provided by the Covered Entity in its notification to affected individuals.
- e. Subcontractors and Agents. Business Associate agrees to ensure that any agent, including any subcontractor, to whom it provides protected health information received from, or created by Business Associate on behalf of Covered Entity agrees in writing to the same terms, conditions and restrictions on the use and disclosure of protected health information as contained in this Contract. Business Associate is required to have Business Associate Agreements with its subcontractors that use protected health information on their behalf. Business Associate is required to obtain satisfactory assurances from its subcontractors that the subcontractor will safeguard protected health information.
- f. Right of Access to Information. Business Associate agrees to provide access, at the request of Covered Entity, to protected health information in a Designated Record Set, either to the Covered Entity, or as directed by Covered Entity to an Individual. This right of access shall conform with and meet the requirements of 45 CFR 164.524, including substitution of the words "Covered Entity" with Business AssociateS where appropriate.
- g. Amendment and Incorporation of Amendments. Business Associate agrees to make and incorporate any amendments to protected health information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR 164.526.
- h. Provide Accounting. Business Associate agrees to make internal practices, books, and records, including policies and procedures and protected health information relating to the use and disclosure of protected health information received from, or created or received by Business Associate on behalf of, Covered Entity available to Covered Entity,

the Secretary, or the Secretary's designee for the purposes of determining compliance with the Security and Privacy Rules.

- i. Documentation of Disclosures. Business Associate agrees to document disclosures of protected health information and information related to these disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of protected health information in accordance with 45 CFR 164.528.
- j. Access to Documentation of Disclosures. Business Associate agrees to provide Covered Entity information collected in accordance with Section 6(i) of this Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of protected health information in accordance with 45 CFR 164.528.
- k. False Claims, Fraud, Waste and Abuse. Business Associate shall cooperate with and participate in activities to implement and enforce the Covered Entity's policies and procedures to prevent, detect and investigate false claims, fraud, waste and abuse relating to Oregon Health Plan, Medicare or Medicaid funds. Business Associate shall cooperate with authorized State of Oregon entities and Centers for Medicare and Medicaid (CMS) in activities for the prevention, detection and investigation of false claims, fraud, waste and abuse. Business Associate shall allow the inspection, evaluation or audit of books, records, documents, files, accounts, and facilities as required to investigate the incident of false claims, fraud, waste or abuse. Business Associate is required to verify that their staff and contractors are not excluded from providing services under this contract funded by Medicare and Medicaid before services are provided. Business Associate is required to check the following databases for excluded individuals and entities:  
Excluded Parties List System (EPLS) [www.sam.gov](http://www.sam.gov)

7. Obligations of Covered Entity.

- a. Limitations in Notice of Privacy Practices. Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 CFR 164.520, to the extent that the limitation may affect Business Associate's use or disclosure of protected health information.
- b. Changes in Use or Disclosure of Protected Health Information. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose protected health information, to the extent that the changes may affect Business Associate's use or disclosure of protected health information.
- c. Restrictions on Use or Disclosure of Protected Health Information. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of protected health information, that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that the restriction may affect Business Associate's use or disclosure of protected health information.

8. Permissible Requests by Covered Entity.

Covered Entity shall not request Business Associate to use or disclose protected health information in any manner that would not be permissible under the Security and Privacy Rules if done by Covered Entity, except if the Business Associate will use or disclose protected health information for, and the Contract includes provisions for, data aggregation or management and administrative activities of Business Associate.

9. Security Assurances, the Business Associate will.

- a. Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the County as required by the Health Insurance Portability and Accountability Act of 1996 and the requirements of Health Insurance Reform, the Security Standards (45CFR Parts 160, 162 & 164); and, effective February 17, 2010, to comply with the provisions of the Security Rule identified in this Agreement.
- b. Ensure that any agent, including a subcontractor, to whom it provides such information agrees to implement reasonable and appropriate safeguards to protect it;
- c. Report to the County any material attempted or successful unauthorized access, use, disclosure, modification, or destruction of information, interference with system operations in an information system, or any security incident of which it becomes aware;
- d. Authorize termination of the contract by the County, if the County determines that the Business Associate has violated a material term of the contract.

10. Termination of Contract.

- a. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
  - (1) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Contract, if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
  - (2) Immediately terminate this Contract, if Business Associate has breached a material term of this Contract and cure is not possible; or
  - (3) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- b. Effect of Termination.
  - (1) Except as provided in paragraph (2) of this section, upon termination of this Contract, for any reason, Business Associate shall return or destroy all protected health information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to protected health information that is in the possession of subcontractors or agents of Business Associate. Business Associate, its subcontractors or agents, shall retain no copies of the protected health information.
  - (2) In the event that Business Associate determines that returning or destroying protected health information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon written notice to Covered Entity that return or destruction of protected health information is infeasible, Business Associate shall extend the protections of this Contract to the protected health information and limit further uses and disclosures of protected health information to those purposes that make the return or destruction infeasible, for so long as Business Associate, its subcontractors or agents maintains protected health information.

11. Miscellaneous Provisions.

- a. Regulatory References. A reference in this Contract to a section in the Security and Privacy Rules means the section as in effect or as amended.
- b. Amendment. The Parties agree to take any action as is necessary to amend this Contract from time to time needed for Covered Entity to comply with the requirements of the Security and Privacy Rules and the Health Insurance Portability and Accountability Act of 1996.
- c. Survival. The respective rights and obligations of Business Associate under Section 10 (b) of this Contract, Effect of Termination, shall survive the termination of this Contract.
- d. Interpretation. Any ambiguity in this Contract shall be resolved to permit Covered Entity to comply with the Security and Privacy Rules.
- e. Entire Agreement. This Contract consists of this Addendum and the Contract, together which constitutes the entire agreement between the Parties. Any alterations, variations, modifications or waivers of any provisions shall be valid only when they have been submitted in writing and approved by the Parties.

12. Qualified Service Organization Contract Provisions.

- a. Contractor is required to follow the Federal Drug and Alcohol law 42 C.F.R. Part 2, Subchapter A, as amended.
- b. County will make available or transfer to Contractor certain information in conjunction with goods or services that are being provided by Contractor to County, that is confidential and must be afforded special treatment and protection.
- c. Contractor will have access to or receive from County certain information that can be received, maintained, used or disclosed only in accordance with this Contract and the Federal Drug and Alcohol law 42 C.F.R. Part 2, Subchapter A.
- d. Contractor Shall:
  - (1) Acknowledge that in receiving, storing, processing, or otherwise dealing with any information from the Program about the patients in the Program, it is fully bound by the provisions of the federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records, 42 C.F.R. Part 2; and
  - (2) Undertake to resist in judicial proceedings any effort to obtain access to information pertaining to patients otherwise than as expressly provided for in the federal confidentiality regulations, 42 C.F.R. Part 2.