Contract Review Sheet

Contract for Services **HE-7281-26**

Title: **Provide Medical Director Services**

Contractor's Name: **Jeffrey A. Luty, MD**

Department: **Health and Human Services** Contact: **Lyndsie Schwarz**

Analyst: **Jennifer Conrad** Phone #: **(503) 584-4898**

Term - Date From: **January 1, 2027** Expires: **December 31, 2029**

Original Contract Amount: **$ 421,000.00** Previous Amendments Amount: **$ -**

Current Amendment: **$ -** New Contract Total: **$ 421,000.00** Amd% **0%**

Outgoing Funds ☐ Federal Funds ☐ Reinstatement ☐ Retroactive ☐ Amendment greater than 25%

Source Selection Method: **50-0160 Health Provider Contracts**

Description of Services or Grant Award

Dr. Luty shall provide Medical Director services to include skilled medical supervision of County's Medication Assisted Treatment (MAT) Program.

Current agreement HE-5779-23 expires 12/31/2026.

Desired BOC Session Date: **12/2/2026** Contract should be in DocuSign by: **11/11/2026**

Agenda Planning Date **11/19/2026** Printed packets due in Finance: **11/17/2026**

Management Update **11/10/2026** BOC upload / Board Session email: **11/18/2026**

BOC Session Presenter(s) Carol Heard Code: **Y**

REQUIRED APPROVALS

Sandra L. Hazen	10/22/2026	Lyndsie Schwarz Lyndsie Schwarz (Oct 19, 2026 09:41:02 PDT)	10/19/2026
Finance - Contracts	Date	Contract Specialist	Date
Jennifer Bogen	10/26/2026	Jan Fritz Jan Fritz (Oct 30, 2026 10:20:18 PDT)	10/30/2026
Legal Counsel	Date	Chief Administrative Officer	Date

MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

Meeting date: 12/02/2026

Department: Health & Human Services

Title: Provide Medical Director Services - Jeffrey A. Luty, MD

Management Update/Work Session Date: 11/10/2026 **Audio/Visual aids** ☐

Time Required: 10 mins **Contact:** Lyndsie Schwarz **Phone:** 503-584-4898

Requested Action:
Approval of the new contract for services with Dr. Luty to Provide Medical Director Services

Issue, Description & Background:
Dr. Luty shall provide Medical Director services to include skilled medical supervision of County's Medication Assisted Treatment (MAT) Program. Dr. Luty's current contract expires 12/31/2026 and cannot be extended.

The contract amount includes the requested annual cost-of-living-adjustment (COLA), with a total contract amount not to exceed $421,000.00 for the three-year term:
$238 per hour beginning January 1, 2027
$246 per hour beginning January 1, 2028
$255 per hour beginning January 1, 2029

Financial Impacts:
New total contract amount for three-year contract term $421,000.00.

Impacts to Department & External Agencies:
N/A

List of attachments: CRS, Board Form, Dr. Luty contract, Addendum #1 HIPAA BAA

Presenter: Carol Heard

Department Head Signature: Troy Gregg
Troy Gregg (Oct 29, 2026 08:31:43 PDT)

MARION COUNTY
CONTRACT FOR SERVICES
HE-7281-26

This Contract is between Marion County (a political subdivision of the State of Oregon) hereinafter called County, and Jeffrey A. Luty, MD, an independent medical professional, hereinafter called Contractor.

RECITALS

WHEREAS, this Contract is established pursuant to MCPCR 50.0160 and is a direct award.

WHEREAS, County wishes to engage Contractor to provide the services set forth in Exhibit A.

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 **January 1, 2027,** after it has been signed by all parties and all required County approvals have been obtained. This Contract expires on **December 31, 2029.** The parties may extend the term of this Contract provided that the total Contract term does not extend beyond **December 31, 2031.**

2. DOCUMENTS / ORDER OF PRECEDENCE

This Contract consists of the following documents, each of which is attached and incorporated herein by reference:

A. This Contract less exhibits

B. Exhibit A – Statement of Work

C. Addendum No.1 Health Insurance Portability and Accountability Act (HIPAA) Business Associate Contract Provisions

3. CONSIDERATION

A. The maximum, not-to-exceed compensation payable to Contractor under this Contract, which includes any allowable expenses, is **$421,000.00**. 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.

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

C. If specified below, county's payments to Contractor under this Contract will be paid in whole or in part with federal funds. If so specified, by signing this agreement, Contractor certifies neither it nor its employees, contractors, subcontractors or subgrantees who will perform the Project activities are

currently employed by an agency or department of the federal government. If applicable, Contractor shall comply with Appendix II to Title 2, Part 200 of the Code of Federal Regulations.

In accordance with 2 CFR 200.331, Contractor has been designated:
☐ Subrecipient
☐ Contractor/Vendor
☒ Not applicable – (there are no federal funds tied to the contract)

4. COMPLIANCE WITH STATUTES AND RULES

A. County and Contractor agree to comply with the provisions of this Contract, its exhibits and attachments 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 Contractor. Failure of Contractor or 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, 279B.235 (if applicable to this Contract) and ORS 652, 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 29. C. (i) through (iv) of this Contract.
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 29.C 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 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:

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

ii. 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

iii. Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. 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.

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

5. 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.

6. TIME IS OF THE ESSENCE

Contractor agrees that time is of the essence in the performance of this Contract.

7. 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.

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

9. RECOVERY OF FUNDS

Expenditures of 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 County in excess of authorized expenditures shall be deducted from future payments or refunded to 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 County. Repayment of prior period obligations shall be made to County in a manner agreed on.

10. ACCESS TO RECORDS

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

11. 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 assurances provided by Contractor shall be supported by documentation in Contractor's possession from third parties.

12. CONFIDENTIALITY OF RECORDS

A. Contractor shall not use, release, or disclose any information concerning any employee, client, applicant or person doing business with County for any purpose not directly connected with the administration of County's or Contractor's responsibilities under this Contract except upon written consent of 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, OAR 309-014-0036(3), 45 CFR 205.50 and 42 CFR Part 2 as applicable.

13. INDEMNIFICATION AND INSURANCE

A. Contractor shall defend, save, indemnify, and hold harmless 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 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 24 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.

14. 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 14C, 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.

15. PAYMENT ON EARLY TERMINATION

Upon termination pursuant to section 14, payment shall be made as follows:

A. If terminated under 14A or 14B for the convenience of County, 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 14C by Contractor due to a breach by County, then County shall pay Contractor for Work performed prior to the termination date if such Work was performed in accordance with the Contract.

C. If terminated under 14C or 14D by County due to a breach by Contractor, then County shall pay Contractor for Work performed prior to the termination date provided such Work was performed in accordance with the Contract less any setoff to which County is entitled.

16. INDEPENDENT CONTRACTOR

A. Contractor is a separate and independently established business, retains sole and absolute discretion over the manner and means of carrying out 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 County.

C. USE OF COUNTY EQUIPMENT. County will provide Contractor with the space needed to provide services as well as a computer, phone, and county email on-site. Such equipment will be used by Contractor solely in completing work under this Contract and shall be returned to County immediately upon termination of this Contract.

17. 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 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 County according to law.

18. OWNERSHIP AND USE OF DOCUMENTS

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

19. 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.

20. 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.

21. 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.

22. 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.

23. REMEDIES

In the event of breach of this Contract, the Parties shall have the following remedies:

A. If terminated under 14C by County due to a breach by Contractor, 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 Contractor shall pay to County the amount of the reasonable excess.

B. In addition to the remedies in sections 14 and 15 for a breach by 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.

24. 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 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 Information Technology Director and Risk Manager

iv. COMMERCIAL GENERAL LIABILITY. Covering bodily injury, death, and property damage in a form and with coverages that are satisfactory to 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 County:

☒ **Required by County** ☐ **Not required by County.**

Minimum Limits:
☐ $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 County:

☒ **Required by County** ☐ **Not required by County.**

Minimum Limits:
☒ 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.

25. 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 email set forth below or to such other addresses or emails 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:
Jeffrey A. Luty, MD
33860 SW Johnson School Rd
Cornelius, OR 97113
Jeffrey.luty@gmail.com

To County
Contracts and Procurement Manager
PO_Contracts@co.marion.or.us
555 Court Street NE, Suite 4247
P.O. Box 14500
Salem, Oregon 97309

26. SURVIVAL

All rights and obligations shall cease upon termination or expiration of this Contract, except for the rights and obligations set forth in sections 3, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 26 and 27.

27. 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.

28. AMENDMENTS

This Contract may be amended if mutually agreed to by both parties.

A. Anticipated Amendments
This Contract is anticipated to be amended for the following reasons:

i. To extend the Contract term and increase the maximum not-to-exceed amount to cover those extension term.

ii. To adjust the unit pricing or other rate(s) of compensation, set forth in Exhibit A.

B. Unanticipated Amendments
All other amendments for purposes not listed as Anticipated Amendments will be deemed Unanticipated Amendments.

29. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

Contractor represents and warrants to 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, items, equipment, components, hardware, software, intellectual property rights, etc. granted to County under this Contract, and Contractor's Services rendered in the performance of Contractor's obligations under this Contract, shall be provided to 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.

30. CERTIFICATIONS AND SIGNATURE. THIS CONTRACT MUST BE SIGNED 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 SIGNATURES
BOARD OF COMMISSIONERS:

_____
Chair Date

_____
Commissioner Date

_____
Commissioner Date

Authorized Signature: Troy Gregg Troy Gregg (Oct 23, 2026 08:31:43 PDT) 10/23/2026
Department Director or designee Date

Authorized Signature: Jan Fritz Jan Fritz (Oct 30, 2026 10:20:18 PDT) 10/30/2026
Chief Administrative Officer Date

Reviewed by Signature: 10/26/2026
Marion County Legal Counsel Date

Reviewed by Signature: 10/22/2026
Marion County Contracts & Procurement Date

JEFFREY A. LUTY, MD SIGNATURE

Authorized Signature: _____
Date

Title: _____

EXHIBIT A
STATEMENT OF WORK

1. STATEMENT OF SERVICES

Contractor shall perform Services as described below.

A. GENERAL INFORMATION.
Contractor shall provide skilled medical assessment and supervision of County's consumers approximately ten (10) hours per week, at minimum three weeks per month, as specified in section 1B below.

B. REQUIRED SERVICES, DELIVERABLES AND DELIVERY SCHEDULE.
Contractor shall, upon request and approval of the County:

i. Provide skilled medical supervision of County's Medication Assisted Treatment (MAT) Program.

ii. Assess the physical, emotional, and development status of individuals receiving MAT services.

iii. Provide positive interventions to maintain restore or improve health of the individual.

iv. Evaluate the results of treatment intervention based on feedback elicited from the consumer and/or family members, treatment team members, behavioral observations, or other providers.

v. Contribute to revisions of patient/client ISSP on the basis of client response to treatment and/or new information.

vi. Prescribe and dispense medication 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.

vii. Provide consultation and education to staff and other service providers in the areas of medication management and addictions treatment intervention: provide general health education to consumers, staff and the community, including education on HIV/HCV infection/prevention.

viii. Coordinate with other health care team members to monitor individuals and adjust treatment plan as needed.

ix. Collaborate with team members and supervisors in the improvement of current services and/or development of new services.

x. Collaborate with nurses and physicians in the development and continual re-evaluation of standing orders, including appropriate medications.

xi. Provide documentation that meets Medicare, Medicaid and other contracted insurance requirements in paper or electronic form according to County policies and procedures.

xii. Provide on-call services for nursing staff needing consultation and direction regarding treatment for MAT clients.

xiii. Prepare and file as necessary all paperwork, service notes and other required documentation within five (5) business days of the service provision.

xiv. County and Contractor shall agree to Contractor's work schedule. Contractor shall contact County with requested schedule changes no later than thirty (30) days before the change takes effect. Outside of illness or unexpected emergency, time off will be scheduled 30 days in advance.

xv. In the event of "no shows" or unexpected cancellations, provide other needed services and support as appropriate.

xvi. Meet County expectations regarding percentage of hours billed in relation to hours worked.

xvii. At County's discretion, Contractor shall perform these duties either remotely or on-site at County facilities.

C. SPECIAL REQUIREMENTS.

i. 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.

ii. 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.

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 **$421,000.00**.

A. METHOD OF PAYMENT FOR SERVICES:

County shall pay Contractor for Services performed under this Contract at the applicable hourly rates set forth below, plus a monthly fee of **$1000.00 for "on-call" Services**. Total payments under this Contract shall not exceed **$421,000.00** for completing all Services required under this Contract.

The applicable hourly rates shall be as follows:

$238 per hour beginning January 1, 2027
$246 per hour beginning January 1, 2028
$255 per hour beginning January 1, 2029

Each adjusted hourly rate shall apply to all Services performed on or after the applicable effective date. The $1,000.00 monthly fee for on-call services shall remain in effect unless otherwise amended in writing by the parties. All payments made under this Contract, including hourly fees and on-call service fees, shall count toward the maximum contract amount of $421,000.00.

B. BASIS OF PAYMENT FOR SERVICES.

County shall pay Contractor monthly progress payments upon County's approval of Contractor's invoice submitted to County for completed Services and delivered Goods, but only after County has determined that Contractor has completed, and County has accepted the completed Services and County has accepted the delivered goods.

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 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 County to Contractor, and shall continue until Contractor submits required reports, performs required services or establishes, to County's satisfaction, that such failure arose out of causes beyond the control, and without the fault or negligence of Contractor.

E. INVOICES. Contractor shall send all invoices to County's Contract Administrator at the address specified below or to any other address as County may indicate in writing to Contractor.

Marion County
Attn: Health and Human Services, Camille Terhune
3160 Center St NE
Salem, OR 97301

ADDENDUM #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 **Jeffrey A. Luty, 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 **Jeffrey A. Luty, 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. <u>Additional Purposes for Uses and Disclosures by BUSINESS ASSOCIATE.</u>

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:

(1) The disclosure is Required by Law;

(2) 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 info1mation has been breached per section 6.d of this Contract;

(3) 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).

(4) 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).

(5) 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. <u>BUSINESS ASSOCIATE Obligations:</u>

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 discove1y 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:

   (1) Office of Inspector General (OIG) https://oig.hhsc.state.tx.us/Exclusions/Search.aspx

   (2) Excluded Parties List System (EPLS) 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 purpose that make the return or destruction infeasible, for so long as BUSINESS ASSOCIATE, its subcontractors or agents maintains protected health info1mation.

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. <u>Qualified Service Organization Contract Provisions.</u>

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 f om 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 pe1taining to patients otherwise than as expressly provided for in the federal confidentiality regulations, 42 C.F.R. Part 2.